

## **Service charges – what do they cover?**

Service charges cover the cost of the services we provide at the block or estate where you live. Here you'll find explanations of the types of charges you'll see in your annual rent and service charge estimate.

ltem	Explanation
A2Dominion subsidy - agent's charge	If you live in a block where the services are provided by an external managing agent, you will pay the External Agents Charge. A2Dominion makes a contribution to this for the homes we let out on rented tenancies, so that these customers are not double-charged for certain services that are already covered by their rent.
Access control	Can include costs for servicing electric barriers and gates, as well as maintaining door entry systems such as intercoms, locks and door closers.
Actual Service Charges	For leaseholders, shared owners and freeholders only. Your 'Actual Service Charges' 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.
Administration fees	Managing and monitoring the contractors for services we provide in shared areas. This only applies to tenants in rented accommodation.
Asbestos Compliance	This covers the costs of inspection of asbestos containing materials identified within the building to assess their condition and risk level. These inspections are required on an annual basis as a minimum, to comply with UK legislation.

Bin contamination	Bin contamination works are carried out when the local authority refuses to remove domestic recycled waste where they believe the 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 connected to keeping the block clean may also appear here, for example where we clean the external surfaces of all windows.
Building Safety	This is the cost associated with keeping your building safe and in compliance with the Building Safety Act 2022. This includes the building safety registration fee for higher-risk buildings, and the building safety report which is a document that summarises safety information for high-rise buildings. This also includes fees for a building assessment, including the regulator's investigation, and structural survey reports on the condition and integrity of the building.
Bulk refuse removal	The cost of dealing with fly tipping or removing dumped bulky items.
Balancing charge	A balancing charge will appear at the end of the Actual Service Charges statement and/or (where applicable) the Major Works statement in the 'Your Actual Service Charges' booklet sent to lessees, if the total due for your share of the actual charges is more than the total amount we estimated. Where there is a shortfall in the amount we collected, this "total balance due" will be shown on the first page of the booklet and is the sum we will be asking you to pay.
Car parking	Any separate charges for the management and maintenance of car park areas on the estate, such as cleaning, line marking, and enforcing rules.
Catering	Providing catering services in certain sheltered and supported housing developments, particularly those providing Extra Care, where there is more than a shared kitchen. Food costs will be shown as personal charges, with all other costs being "on-costs" for the provision of the service.
Central Energy Plants	Servicing central energy plants and distribution systems.
Commercial boilers and renewable energy systems (RES)	Servicing heating and hot water systems, including 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 laundry equipment	Maintaining and replacing shared communal laundry equipment.
Communal repairs	Carrying out day-to-day responsive repairs in shared areas. This only applies to lessees; tenants pay for communal repairs through their rent.
Contribution to Major Works	Where cyclical or major works have been carried out and a sinking fund is in place for lessees, this heading will be used to show the contribution from the sinking fund to the lessees cost of the works. Where there are sufficient sinking 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 sinking funds do not cover the full cost of the works and/or the fee, the sinking funds available to pay towards the works and/or fee will be shown under this heading. In such cases, the "additional balance due" will be shown at the end of the Major Works statement in the 'Your Actual Service Charges' booklet.
Council Tax	Council Tax charges for site offices within Supported Housing schemes.
Credit balance	A credit balance will appear at the end of the Actual Service Charges statement in the 'Your Actual Service Charges' booklet sent to lessees, if the total due for your share of the actual charges is less than the total amount we estimated. Where there is a surplus in the amount we collected, this "credit balance for the year" will be shown on the first page of the booklet and is the sum we will be crediting to your customer 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 ' <u>My Account</u> '
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 should only appear on the 'Major Works' schedule. It only applies to lessees; tenants pay for cyclical and major repairs through their rent.

Cyclical works management fee	For leaseholders, shared owners and freeholders only. 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. On larger or more complicated works, where we employ specialist consultants to do some or all of this work, their fee will usually be shown under this heading, unless it is included within the general fee.
Domestic lifting equipment	Maintaining and replacing specialist equipment such as bath and track hoists, and stair and through-floor lifts, in individual properties.
Electrical and lighting testing	Testing and servicing electrical systems, including street lighting where this is not provided by the local council. This may also include costs for servicing any lightning protection in your building.
Engineering insurance	The cost for insuring the engineering equipment and/or machines within communal areas of the block, such as Passenger Lifts, Communal Boilers and Gates, in case of any severe damage or loss.
Estimated Service Charge	These are the payments we collect to cover the cost of the services we anticipate to provide over the course of the year. The estimated service charges are usually sent out in 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 providing services to our residential Blocks and/or their area. This will usually appear when A2Dominion is not the freeholder, or where the estate is shared with other blocks and the area is the responsibility of another party to manage.
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 to maintain.
Fire safety	Testing and servicing 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)	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.

Grounds maintenance	Contractors' costs 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.
Gutter cleaning	The cost of clearing communal guttering.
Insurance	The costs for arranging buildings insurance for our properties. This includes separate 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. <b>Note:</b> <b>This does not include home contents insurance. You are</b> <b>responsible for arranging this to cover your personal</b> <b>belongings.</b>
Invoiced on account	This is the sum of money we ask from you as a lessee at the beginning of the service charge year to pay for major works we anticipate carrying out in the year ahead. In the Major Works statement in the "Your Actual Service Charges" booklet it refers to the total amount we have charged you for these works in 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 electrical (personal)	The cost of lighting and electricity where provided to individual flats. We pay the cost of the electricity consumed and recover this through the service charge.
Lighting and electricity	Providing outside lighting for 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	All the internal costs for managing our estates and blocks, such as carrying out site visits, dealing with queries and requests, and arranging contracts for services. Including our internal costs for the preparation of your Estimated and Actual Service Charge Accounts. 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 anti-social behavior.
Onsite staff	Employing any caretakers, cleaners, concierge, night-time cover, residential managers or any other staff based at an estate or block.

Paladin hire	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 any lifts.
Pest control	The cost of eradicating pests from communal areas in blocks or on estates.
Playgrounds	The cost of inspecting play equipment in shared areas.
Safe working systems	Inspecting and testing safety wires, bolts and cradles within various systems to make sure they are safe.
Schedule	<ul> <li>There are up to six different schedules which we provide services under at an estate or block level. These are:</li> <li>Service Charge</li> <li>Sinking Fund</li> <li>Major Works</li> <li>Car Park</li> <li>Individual Heating</li> <li>Water</li> <li>Under each schedule will appear headings (explained in this guide) for services which we anticipate will be provided 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 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. 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 estate, and you may see this same heading on the schedule for your block if your building has a door entry system.</li> </ul>
Sewerage plants and pumps	Servicing sewage plants and pumps, and surface water pumps.
Sinking fund	A fund you may pay into to build a reserve sum of money to pay for more expensive work to the shared areas of your property. For example, replacing a roof, 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 apply where we have machinery,

	such as lifts, which have a line that may be used in the event of a breakdown.
Tree Surgery	The cost of looking after trees, including periodic inspections, pruning and tree surgery.
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	Inspecting and servicing mechanical ventilation, including domestic systems; shared extractor fans; and heat recovery and air conditioning systems.
Warden call systems	Servicing warden call systems.
Water charges (landlord)	The charge for the water supplied to the landlord to use for cleaning and washing 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 of water systems.
Water pumps	Servicing 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 should only appear on the 'Water' schedule.

CU-0118-0007