



Service Charge Actuals – Adjustments to Service Charge Account

Your service charge certificate sets out the costs that were incurred during the financial year 1st April to 31st March. The estimates will show your individual contribution for each service provided to the block in which your flat is located and repairs that were carried out to the building and/or communal areas.

You may recall that we reviewed the estimated service charges for 2023-2024, so most residents are currently paying a different amount than what you paid during previous years. This is to align the estimated costs more closely to prevent large year end adjustments. However, it is difficult to predict what may occur to a building each year.

Below are service charge items which you may have been charged for:

Insurance

All leaseholders will have a charge for insurance. This is to cover your share of the insurance of leasehold properties in the block in which you live. This is currently provided by Procter Insurance. Insurance premiums increased significantly in 2022-23 which for many, will be the largest impact on increased actual costs.

Management Fee

All leaseholders pay a management fee. This is a fixed cost, but on some blocks may be a percentage of the overall service charge. The management fee covers a proportion of services provided which includes staff costs in leasehold, estate management, finance, customer services, which includes dealing with enquiries, managing contracts and services, preparing accounts, collecting the service charge.

Cleaning

This covers the cost of cleaning to the internal communal areas; this is currently carried out by Town and Country Cleaning, but is in the process of being retendered.

Communal Lighting/Electricity

This covers the electricity costs for communal lighting in the block, it may also cover the cost of other things in the communal area that requires an electrical supply such as lifts, door entry systems etc. This cost may vary year on year depending on actual usage and current electricity costs, which are increasing significantly.

Landscaping/Grounds Maintenance

This covers the cost of either grass cutting or maintaining any landscaped areas around the block in which your property is located and is carried out by the Council's parks department.



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Day to day repairs and maintenance

This covers the cost of any repairs and maintenance that is carried out during the year to the block in which you live.

Some repairs are carried out by the Council's direct labour organisation, and some repairs are carried out by external contractors. Costs will vary year on year, some smaller blocks may not have repairs costs every year, but larger blocks with more communal items such as TV aerials, emergency lighting, door entry systems, lifts etc will see some costs each year. A breakdown of all repairs and maintenance will be provided with your service charge certificate. Some of the more regular annual maintenance costs are detailed below.

Lift servicing

These are regularly carried out and include an annual maintenance check to ensure the smooth operation of the lifts.

Door entry maintenance

We service and repair the door entry systems as and when required using our current repairs contractors or will employ a specialist contractor if required.

Emergency Lighting

If you have emergency lighting, there will be costs for monthly flick tests as well as an annual full rated duration test.

Legionella testing

If there is a communal water system in the block in which you live, we are required to test regularly for legionella. This may be monthly, or quarterly depending on the size of the communal water tank in your block.

Communal heating

If you live in a block with a communal heating system, you may see repairs for communal heating. You will experience varying costs each year depending on usage and fluctuating energy costs.

Metered water

Some blocks have a water meter that provides water for all residents. This cost may vary year on year depending on actual usage for the block.