

Service Charges

What is included in each Service Charge heading?

Service Charge Heading	What is included
Costs paid for by tenants and homeowners (freeholders and leaseholders) as part of their service charge	
Services	
Communal Gardening	Gardening contract Gardening materials – plants etc Tree surgery Hedge cutting De Icing Salt
Communal Cleaning	Cleaning contract Window cleaning Carpet / furnishings cleaning Refuse sacks and bin hire or purchase Pest control – contract and call out costs Refuse Collection
Catering	Catering contract Food Catering equipment capital costs, service and repair
Estate Manager Service	Salary for EM Staff Employers National Insurance and pension contributions Sickness and holiday pay Temporary staff cover for sickness/holiday Office costs

Building Services Plant and Equipment

<p>Lift</p> <p>Includes: HHA owned/adopted stairlift in common area and available for common use</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p> <p>Refurbishment</p> <p>Lift Insurance</p> <p>Emergency telephone connection and usage</p> <p>Expert consultant costs</p> <p>Statutory testing</p>
<p>Access control</p> <p>Includes: Door entry phone Car park barriers</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p>
<p>Fire safety</p> <p>Includes: Fire alarm system Smoke detectors Smoke vents Auto door closers Fire extinguishers and blankets Fire signs Fire risk assessments Evacuation equipment</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p> <p>Expert consultant costs</p>
<p>Security</p> <p>Includes: CCTV Intruder alarm Security lighting</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p>
<p>Laundry</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p>
<p>Aerial</p>	<p>Maintenance Contract</p> <p>Repairs not included in maintenance contract</p>

Security Includes: CCTV Intruder alarm Security lighting	Maintenance Contract Repairs not included in maintenance contract
Laundry	Maintenance Contract Repairs not included in maintenance contract
Aerial	Maintenance Contract Repairs not included in maintenance contract
Communal Facilities	
Communal furnishings	Insurance of floor coverings and furnishings in communal areas of a scheme
Alarm Call service	Hanover on Call centre or similar service Maintenance Contract Repairs not included in maintenance contract Dedicated telephone line rental and usage
Assisted bathing	Maintenance Contract Repairs not included in maintenance contract
Fund provision	The cost of expensive items that are expected to last many years is spread out by saving money in a reserve fund. The amount saved each year is called a 'provision'. Most estates will have a reserve fund towards the cost of replacing communal facilities and furnishings. Estates where only some residents have to save up for particular items, perhaps a lift, will have multiple funds so it is easier to see how much has been saved for each group of items.
Communal Facilities	
Communal Electricity – Estate and Block	Electricity used in communal areas Energy broker fees
Communal Electricity	Electricity used to light, and sometimes to heat, the communal areas Energy Broker fees

Communal Gas	Gas used to heat communal areas Energy Broker fees
Communal Water	Water supply to communal areas e.g. garden, laundry, bin store, kitchen.
Dwelling Utilities	
Individual Water – domestic cold water supply to dwelling	Cost of water bills from supply company
Individual Heating and Hot water – supply to dwelling	Electricity and gas used for water and space heating in the flat or bungalow.
Service Charge Management Fees	
Management Fee	Hanover's fee for arranging and managing the services and works paid for through service charges, keeping records and preparing accounts.
Services provided by other companies	
Estate Services (provided by landlord's agent)	Cost of services, such as gardening, carried out on the wider estate included in service charges paid by Hanover to another landlord. This usually arises when Hanover owns the scheme on a head lease.
Buildings Insurance and maintenance (provided by landlord's agent)	Cost of buildings insurance, repair maintenance and sinking fund contributions for structure and exterior included in service charges paid by Hanover to another landlord. This usually arises when Hanover owns the scheme on a head lease.
Payments to others	Payments to companies who provide specific services to an estate, e.g. Drainage charges Private sewerage systems Flood defence charges On site energy generation and similar

Additional services paid for by homeowners (freeholders and leaseholders) as part of their service charge	
Water and drainage	Water testing and water treatment Water lift pumps Sewage pumps Maintenance Contract Repairs not included in maintenance contract
Responsive repairs	Day to day building repairs
Cyclical maintenance fund provision.	On some estates a separate fund is held to meet the cost of decorating the exterior and interior. This provision is the annual contributions to that fund. Expert consultant Management fees
Planned maintenance (major repairs)	Cost of major repair or replacement of components forming the structure and exterior of the building Expert consultant fees Management Fees
Major Repairs Fund provision (for structure and exterior of the buildings and estate).	Annual contributions to the Major Repairs Fund, being saved towards the cost of refurbishing or replacing the building. Surveyors fees if amount needs to be certified
Surveys and Inspections	Non-routine inspections requiring specialist staff. E.g. asbestos surveys; Insurance revaluations
Buildings Insurance	Buildings Insurance Premiums Excess on any claims (the difference between the cost of a claim and the amount paid under the policy)
Service Charge Management Fees	Hanover's fee for arranging and managing the services and works paid for by homeowners through service charges
Audit Fees	Audit Fees and Certification fees Accountants fees for independently auditing or certifying the service charge accounts for your scheme