

Your Service Charge (or Variable Rent Charge)

The 'on account' service charge is based on an estimate prepared each year of all the running costs of your development. These could include a number of elements. Some of the most common are:

- General repairs and maintenance
- Landscape maintenance – from cutting the grass, maintaining communal gardens, watering and sweeping. Every property will have different requirements
- Lighting, heating and cleaning of communal areas
- Window cleaning – specific to each property, but would typically include all external windows as well as internal windows in communal areas
- Lift maintenance
- Fire equipment maintenance
- Other electrical and mechanical equipment maintenance – specific to each development but could include items such as water pumps, entry or security gates, communal heating boilers etc.
- Buildings insurance – in the case of flats, full buildings insurance is required under the terms of the lease to cover the risks relevant to the development. Standard insurance risks might include fire, explosion, lightning, aircraft, terrorism, storm or flood, sprinkler leakage, subsidence or landside etc.
- Bank Charges and Audit fees
- Management fee – the only part of the annual service charge which is paid over to the managing agent from the developments trust account