



Andrewes House Actual Service Charges 2022/23

Included in this document are:

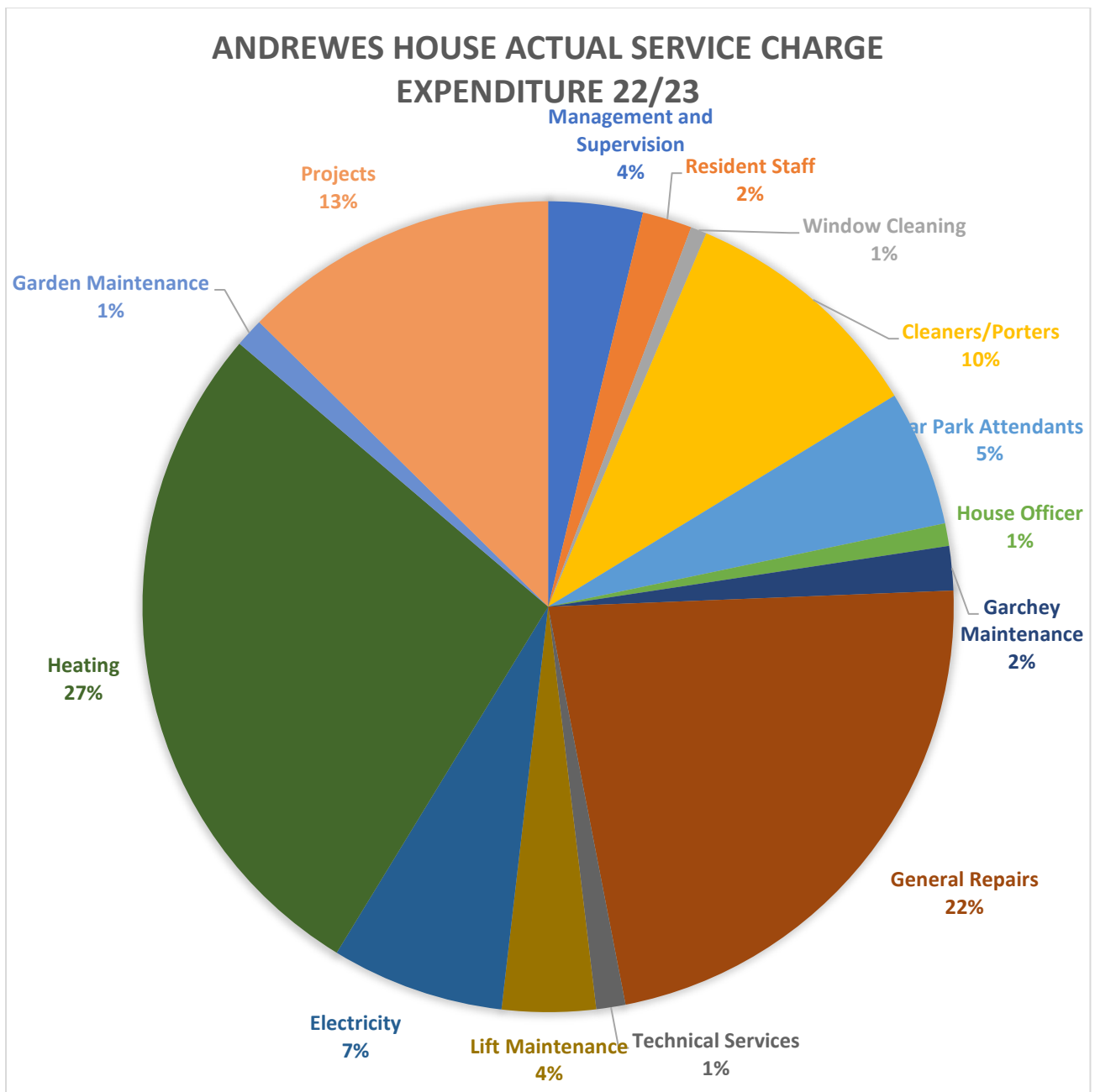
- The schedule of service costs for Andrewes House prepared from the City of London Corporation's final accounts for the year 1 April 2022 – 31 March 2023.
- The schedule shows the actual service costs for Andrewes House for 2021/22 and 2022/23 and the percentage variance between the two years. Also shown are the estimated 'on-account' service costs for 2022/23.
- A pie chart showing each head of charge as a proportion of the 2022/23 service charge actuals.
- An explanation of all variances of more than 3% of costs for Routine Recurrent Items in 2022/23 in comparison with the actual expenditure for 2021/22.
- An explanation for Non-Recurrent Items (Major Works) that were carried out during 2022/23
- An appendix giving a brief description of what is included in each of the items on the schedule

The charges have been grouped to reflect the five service level agreements, customer care, estate management, property management, open spaces and major works.

For some of the items, blocks are charged a proportion of the estate wide costs. Unless otherwise stated, the proportion for Andrewes House is 7.34%. This is the estate wide percentage in your lease.

| Service Charge Costs 2022/23 ANDREWES HOUSE 192 FLATS (7.34% of Estate Costs) | Actual Costs 2021/22 | Actual Costs 2022/23 | Actual % difference | Estimate 2022/23 | Estimate 2023/24 |
|---|-------------------------|-------------------------|------------------------|---------------------|---------------------|
| | £ | £ | | £ | £ |
| Customer Care Costs of Management and Supervision - Andrewes & Proportion of Estate Costs | 46713 | 49491 | 5.95% | 58299 | 62217 |
| Estate Management | | | | | |
| Resident Staff - Estate% | 23695 | 25974 | 9.62% | 28867 | 29665 |
| Furniture & Fittings - Andrewes House Cost | 0 | 0 | | 0 | 0 |
| Window Cleaning- Andrewes House Contract cost | 8211 | 8425 | 2.61% | 8416 | 9678 |
| Cleaners/Porters - No of Cleaners for Andrewes House & Estate% | 129210 | 130408 | 0.93% | 132637 | 138428 |
| Car Park Attendants- Terrace Block % | 67032 | 71219 | 6.25% | 68895 | 68979 |
| House Officer - Estate% | 11056 | 11849 | 7.17% | 10635 | 13401 |
| Sub Total | 239204 | 247876 | 3.63% | 249450 | 260151 |
| Property Management | | | | | |
| Garchey Maintenance - Estate% | 20151 | 23215 | 15.20% | 20992 | 25411 |
| General Repairs - Andrewes House Cost & Estate% | 235041 | 297037 | 26.38% | 146339 | 251034 |
| Technical Services - Andrewes House Cost & no of repairs orders | 16942 | 15319 | -9.58% | 16416 | 16416 |
| Lift Maintenance - Andrewes House Cost | 47602 | 49094 | 3.13% | 48565 | 49136 |
| Electricity (Common Parts and Lifts) - Andrewes House Cost | 49349 | 90656 | 83.70% | 52310 | 105405 |
| Heating - Andrewes House Cost | 256812 | 361939 | 40.94% | 250000 | 491832 |
| Sub Total | 625897 | 837259 | 33.77% | 534622 | 939234 |
| Open Spaces | | | | | |
| Garden Maintenance - Estate % | 13662 | 15097 | 10.51% | 12338 | 15776 |
| Total Annually Recurring Items | 925476 | 1149724 | 24.23% | 854709 | 1277378 |
| Non-Annually Recurring Items - Major Works | | | | | |
| Water Tank Repairs/Replacement - Andrewes House cost | 2344 | 0 | | 0 | 0 |
| Concrete Works - Andrewes House cost | -97 | 0 | | 0 | 0 |
| Asset Management/Stock Condition Survey - Andrewes House cost | 732 | 5345 | | 5427 | 0 |
| Asbestos Works - Andrewes House cost | 17697 | 4507 | | 0 | 0 |
| Water Supply Works - Andrewes House cost | 4166 | 2825 | | 0 | 0 |
| Emergency Lighting - Andrewes House cost | 0 | 0 | | 0 | 13900 |
| Redecorations 2020-2025 Programme - Andrewes House cost | 5016 | 0 | | 0 | 0 |
| Electrical Testing - Andrewes House cost | 0 | 0 | | 0 | 9165 |
| Replacement Windows & Frames - Andrewes House cost | 0 | 15843 | | 21000 | 0 |
| Internal Redecorations - Andrewes House cost | 0 | 137480 | | 141987 | 0 |
| Total Non-Annually Recurring Items | 29858 | 166000.17 | | 168414 | 23065 |
| TOTAL | 955334 | 1315723.75 | | 1023123 | 1300443 |

The chart below shows the breakdown of the 2022/23 service charge actual expenditure.



Customer Care

Management and Supervision

The allocation of Supervision and Management recharge between the service charge account and other service areas is mainly based on timesheet information and reflects the time being spent on service charge issues. This year more time has been allocated to House Officer duties. There has also been a reduction in overhead costs.

The apportionment of the Supervision and Management costs reflects the cost of the routine recurrent items (excluding heating and Technical Services) for your block as compared to the estate as a whole.

Estate Management

Resident Staff

The increase in the charge is mainly due to an increase in time spent on resident engineering duties in comparison with the previous year. There was also an increase in residential costs.

Car Park Attendants

The increase is due to an increase in salary and overtime costs.

House Officers

House Officers spend their time on general management duties and House Officer duties. More time was spent on House Officer duties in comparison with the previous year.

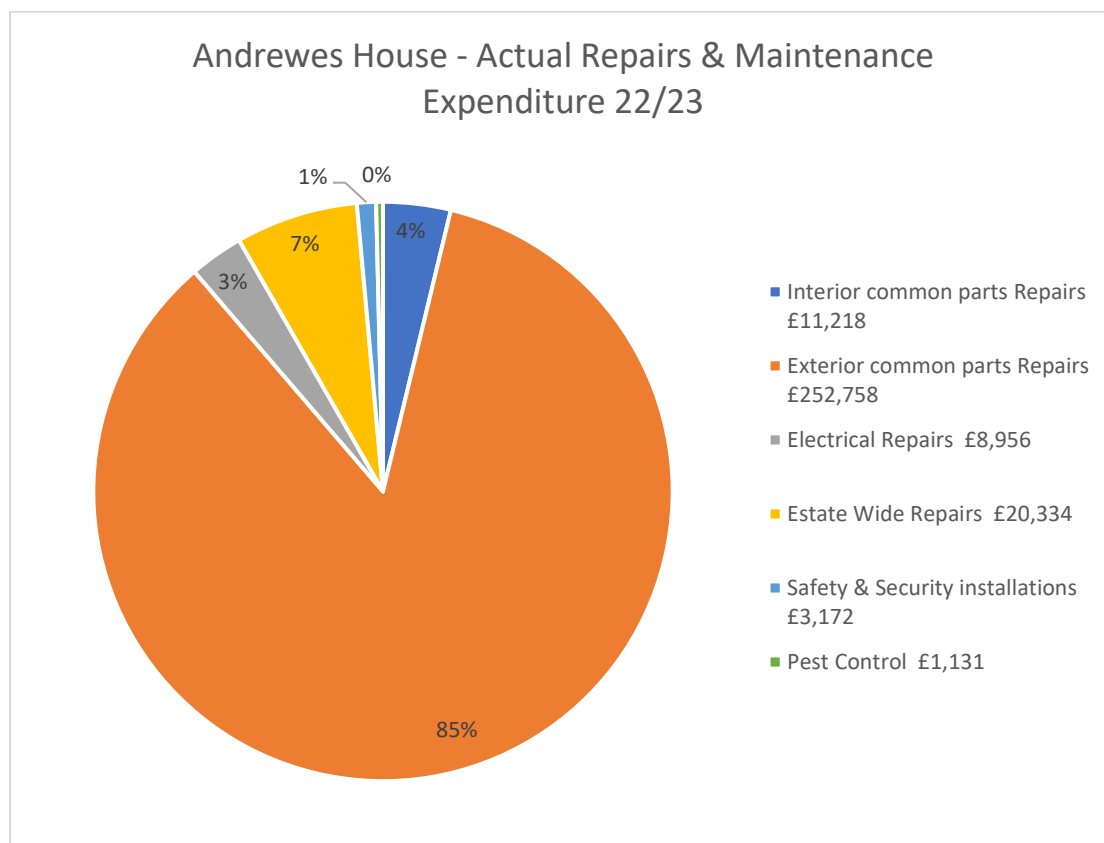
Property Management

Garchey Maintenance

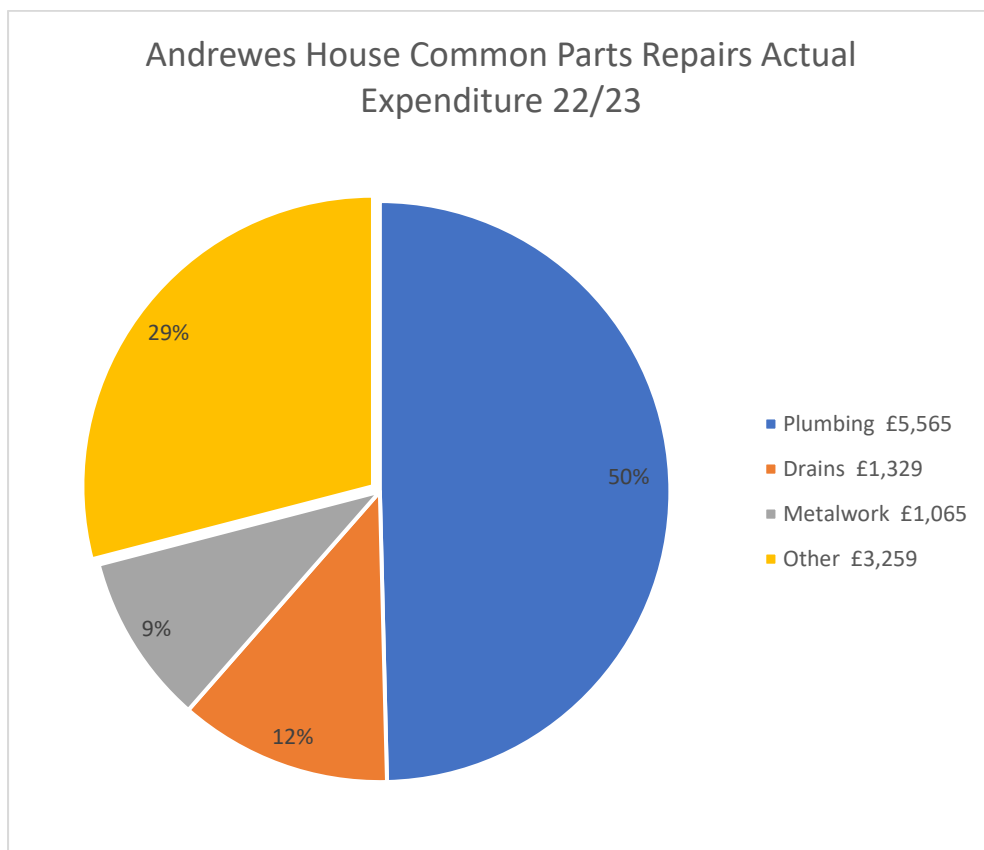
The increase mainly due to an increase in repairs expenditure in comparison with 2021/22 and an increase in electricity costs. The majority of orders raised this year were for unblocking and maintaining the garchey pits. Garchey repairs expenditure in 2021/22 was lower than the previous year.

General Repairs

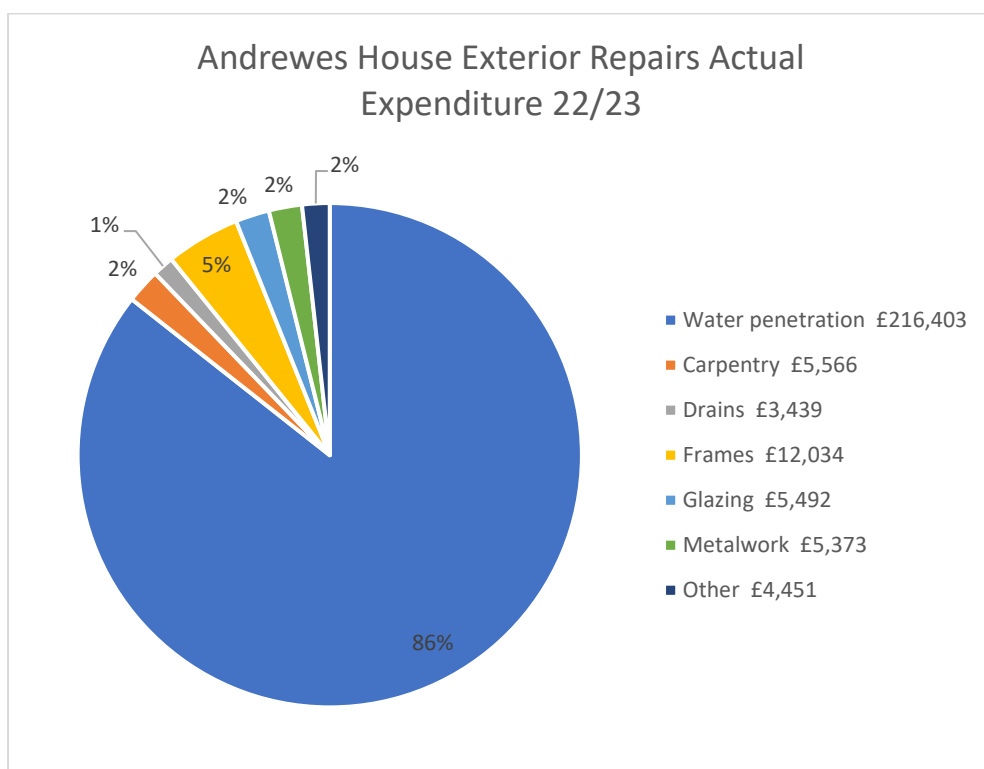
The chart below provides a breakdown of the total repairs' expenditure for Andrewes House in 22/23. The total is £297,569. This cost is reduced in the schedule due to an additional property that was built in the block.



The chart below provides a breakdown of the common parts repairs expenditure, £11,218, for Andrewes House in 22/23.



The chart below provides a breakdown of the exterior repairs expenditure, £252,758 for Andrewes House in 22/23.



The majority of the exterior repairs expenditure is due to water penetration. Thirteen barrel roofs were recovered at a cost of £131,113 this includes the cost for scaffolding and handrails. Flat roof areas and balconies also had the waterproofing renewed at a cost of £57,352. Other repairs following water penetration include investigative works following orders raised and repairs to window frames and doors and renewal of waterproof sealants.

Technical Services

This reflects the proportion of time spent by Technical Services Officers on service charge issues for the estate and your block and the number of orders dealt with by the repairs team.

Lift Maintenance

This reflects the price for your block for the maintenance contract. The increase this year to the time allocated on lift repairs/callouts by the resident engineers.

Electricity (Common Parts and Lifts)

This is the cost of the electricity serving the common areas of the block. Unit rates increased considerably from October 2022. From April to September the rates were approximately 17.6p/kwh day rate and 14.2 p/kwh night rate. From October 22 to March 23 the average rates were 36.5p/kwh day and 29.6p/kwh night. These rates include the government rebate. As a result of entering into the solar farm Power Purchase Agreement the City has given an additional rebate of £5,634 for this electricity supply.

Heating

There have been concerns regarding the billing of the underfloor heating. The indicative actual cost for 2022/23 is £361,939. However, due to concerns regarding data collection for invoicing a full audit of invoicing is taking place. The estimated charge for heating was £250,000 and this will not be revised until the audit has been completed. The indicative cost has been used in the actual service charge pie chart.

Unit rates for heating have increased. The unit rates for April 22 was approximately 14.8p/kwh day rate and 14.2p/kwh night rate. From October 22 to March 23 the average the average rate rates were 33.3p/kwh day and 29.6p/kwh night. These rates include the government rebate.

As a result of entering into the solar farm Power Purchase Agreement the City has given an additional rebate of £39,352 for the underfloor heating. This is included in the indicative actual cost.

Open Spaces

Garden Maintenance

Garden play areas were resurfaced this year at a cost of £28,643. Expenditure on general garden maintenance has in the last two years following request made to the Resident's Consultation Committee and Barbican Residential Committee, whereby additional resources have been employed for the garden.

Non -Annually Recurring Items – Major Works

Asset Management

This includes the cost of the Savill's stock condition survey of all blocks which was completed during the financial year and also the cost of the Window Frame Survey that was carried out during the year.

Asbestos Works

This expenditure is in respect of asbestos inspections within the block. Asbestos remediation and air monitoring was also carried out in the subways which carry services to all blocks.

Water Supply Works

This expenditure is in respect of the water monitoring contract. An annual inspection of the main isolations and protection points in the service tunnels was carried out across the Estate.

Replacement Windows & Frames

One upper-level window frame was replaced this year.

Internal Redecorations

Internal redecorations were carried out this year. Please refer to your Section 20 letter dated 21 September 2022 from Jason Hayes.

Appendix 1 – Description of Items Included in Schedule

Customer Care

Management and Supervision

This is the charge for managing the various services provided. It covers the costs of the staff who are not charged directly to a particular service charge item, office accommodation and associated costs and costs charged by other Corporation departments. The main services provided by these departments that are charged to residents are accounting, information technology and legal work. It does not cover the cost of managing major projects as these costs are charged directly to the project.

The apportionment of the estate wide costs reflects the cost of the routine recurrent items (excluding heating and Technical Services) to your block as compared to the estate as a whole.

Estate Management

Resident Staff

The resident staff are the four engineers who live on the estate. Their costs include a proportion of their salary, residential costs and uniforms. These costs are charged using the estatewide percentages. The resident engineers' salary costs are divided between general duties, lifts, and projects. A proportion of their costs are recharged to Housing in respect of Housing projects and lifts. This recharge can vary considerably from year to year. These costs are allocated with regard to time spent on the Barbican and time spent on projects.

Furniture and Fittings

Included under this heading is carpeting of common parts where applicable.

Window Cleaning

This is the cost of the window cleaning contract for your block.

Cleaners/Porters

This is the salary and uniform costs of the cleaning staff and Cleaning Manager and is based on the cleaners' time assigned to your block. Also included is a proportion of the cost of cleaning materials, equipment and refuse sacks. You do not pay for the cleaning of the Podium as it is designated City Walkway, nor do you pay for the cleaning of the car park areas as this is charged to the Car Park Account.

Car Park Attendants

Terrace blocks contribute to the salary and uniform costs of the car park attendants and the Car Park Manager's salary and office costs in respect of the concierge duties performed by the attendants for residents. The proportion charged to each of the terrace blocks is set out in the lease, for Andrewes House it is 3.579%. The tower blocks do not contribute to these costs as they pay for their own lobby porters who carry out these duties.

House Officer

The House Officers are employed to monitor the Service Level Agreements and to act as the resident's "champions". The estimated cost of the House Officers has been charged on an estate wide basis. Their costs include a proportion of the Supervision and Management on-costs described above.

Property Management

Garchey Maintenance

This is comprised of your block's proportion of the salary and uniform costs of the garchey staff, repairs and maintenance to the garchey system, electricity and insurance costs for the garchey substations.

General Repairs

This is the cost of the day-to-day repairs to the structure and exterior of the building and to the internal common parts. Also included is a proportion of the cost of repairs to the estatewide areas such as subways under the estate that carry services to all blocks. You do not pay for repairs to the car park or stores areas. Most of the general maintenance expenditure is demand led and can vary considerably from year to year.

Technical Services

The Technical Services Section is responsible for the supervision of all repairs and maintenance on the estate. The charge is based on the proportion of staff time and associated costs chargeable to the Service Charge Account. The apportionment between blocks is based on the number of orders issued to each block. The charge does not cover the cost of managing major projects as these costs are charged directly to the projects.

Lift Maintenance

This is comprised of the cost of the lift maintenance contract for your block, any repairs/call outs not covered by the contract, lift insurance and a proportion (based on the number of lifts in the block) of the lift and resident engineers' costs.

Electricity (Common Parts and Lifts)

This is the cost of the supply of electricity to your block for lighting, panel heaters in common parts (where used) and the lifts.

Heating

This is the cost of the electricity to provide the background underfloor heating in your flats.

Open Spaces

Garden Maintenance

This is a proportion of the cost of carrying out the maintenance to the gardens to which the residents have exclusive access. The actual cost has been reduced by 15% to reflect the visual benefit the gardens give to the general public visiting the area. The gardens and planted areas to which the public have access, such as the north podium are not charged to residents as these areas are designated City Walkway.

The charge includes the garden maintenance contract, and a proportion of the Open Spaces Department's staff costs.