



## **Andrewes House**

### **Estimated Service Charges 2023/24**

The estimated charge for this year has increased due to the increase in energy costs, staff costs and repairs and maintenance costs.

#### **Electricity costs**

The unit costs for electricity have increased significantly since the 2022/23 estimate was prepared.

For the background underfloor heating the day rate is currently about 35.9p per kilowatt hour and the night rate 33.2 per kilowatt hour. The unit cost for the common parts electricity is currently about 40.3p per kilowatt hour day rate and 33.3p per kilowatt hour night rate. Standing charges have also increased.

You may be aware that the City has purchased a solar farm through a power purchase agreement (PPA). As a result of this agreement the City is able to give rebates on electricity costs. The rebates are dependent on the electricity generated by the solar farm and therefore will vary. The heating and lighting estimates do include an allowance for expected rebates.

The total rebate for Andrewes House for 2022/23 was over £45,000.

#### **Staff costs**

The salary increase has been budgeted at 3% plus £1,000 per person. Last year's (2022/23) salary increase was higher than budgeted, most staff received 3% plus a one-off payment £1,000 per person. Cleaning staff received an additional increase.

## **Repairs and Maintenance Costs**

The rates charged by the Repairs and Maintenance Contractor are uplifted each year in line with the Building Cost Information Service (BCIS) Index. The increase for 2023/24 compared to 2022/23 is around 12%.

### **Description of Items Included in the Service Charge Schedule**

The charges have been grouped to reflect the five service level agreements, customer care, estate management, property management, open spaces and major works. **Residents can access further information on the service level agreement at : [About SLAs - City of London](#)**

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

A five-year forecast of major works showing the works currently programmed over the next five years and works which are under consideration but for which no timetable has been determined is also included.

## **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 e.g. reception, management staff, revenues team and directorate office, accommodation, utilities, supplies and services, and costs charged by other Corporation departments e.g., finance, legal and IT. 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 allocation of the estate wide costs reflects the cost of the routine recurrent items (excluding heating and Technical Services staff costs) to your block as compared to the estate as a whole.

## **Estate Management**

### **Resident Staff**

The resident staff are the four engineers (Property Service Officers) who live on the estate. Their costs include a proportion of their salary, residential costs and uniforms. These costs are charged using the estate wide percentages. The resident engineers' salary costs are divided between general duties e.g. maintenance inspections and emergency callouts, lifts, and projects. A proportion of their costs are recharged to non-service charge areas e.g. car parks. This recharge can vary considerably from year to year. These costs are allocated based on the time spent on the Barbican and time spent on other areas.

### **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 office accommodation and costs charged by other Corporation departments described above.

### **Property Management**

#### **Garchey Maintenance**

This is comprised of your block's proportion of the salary and uniform costs of the three staff who are responsible for the repairs and maintenance to the system, plus the 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 estate wide 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, reactive/reactive, and can vary considerably from year to year.

#### **Technical Services (Property Services Team)**

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 (office accommodation and other departments) 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' (Property Service Officers) 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 Open Spaces Department's staff costs.

**Projects**

Electrical Testing - this is the testing of the electrical services to the common parts of the block.

Emergency Lighting – the batteries serving the system are due for replacement.

**Five Year Forecast of Major Works 2023/24 to 2027/28**  
**Andrewes House**

The table below shows the works forecast for the next five years.

<b>Project</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Not Programmed</b>
External Redecorations		£260,609				
Asbestos Removal / Testing						
Electrical Testing	£9,165					
Emergency Lighting	£13,900					
Replacement Windows & Frames						
Door Entry System						
Building Management System						
Hot & Cold Water Systems						
Heating System						
Lifts						
Lighting						
Communal Electrical Services						
Garchey						
<b>Estimated total for year</b>	<b>£23,065</b>	<b>£260,609</b>				

**External Redecorations** - This is the total cost for External Redecorations to the block. Please refer to your Section 20 letter dated 18 February 2020 from Jason Hayes.

**Asbestos Removal / Testing** - Annual testing is carried out and remedial works may be required.

**Electrical Testing** - This is the testing of the electrical services to the common parts of the block.

**Emergency Lighting** - The batteries serving the system are due for replacement.

**Replacement Windows & Frames** - An inspection of the windows and frames has been carried out. A program is currently being developed for this. However, any frames and windows identified for replacement in the current year, will be notified to you.

**The following works have been identified in the Savill's 30 year survey as likely projects to be undertaken in the next 5 years. However, the programme of works and block estimates are still to be agreed.**

Door Entry System - Entry panel and handsets are due to be replaced

Building Management System - Works to the system that controls the electrical and mechanical services in the block is due to commence

Hot & Cold Water Systems - Works to the thermal pipe insulation, water tanks, valves and pipeworks are due to be carried out

Heating System - Fuesboards are due to be replaced.

Lifts - Refurbishment to the lifts is due commence.

Lighting - Works to the lighting system is due to be carried out

Communal Electrical Services - Works to the communal electric system are due to be carried out

Garchey - Works to the garchey system are due to be carried out