



SERVICE CHARGE

Guidance note for residents

SOME USEFUL TERMS TO UNDERSTAND

ESTATE MANAGEMENT COMPANY (EMC).

This is a company set up with the responsibility for managing and maintaining identified shared facilities/open spaces. EMC's are usually set up by the housebuilder/developer. You will be made aware of the EMC upon purchase or lease of your home. In some cases, there will be opportunities for residents to become the Directors of the Estate Management Company, usually on the completion of all the homes in the development. If this option is available to you, it will be made clear in the legal agreements. Up until that point it is usual for the Directors of the Estate Management Company to be employees of the housebuilder/developer.

SERVICE CHARGE”, “ESTATE MANAGEMENT CHARGE”, “ESTATE CHARGE” OR “BLOCK CHARGE”

These terms may be used interchangeably, but all generally mean the same thing i.e. a charge levied by the Estate Management Company on residents in order to recover the costs of managing and maintaining the identified shared facilities/open space. The fee payable by individual properties will usually be based on a percentage of the costs incurred by the EMC, divided among all homes based on a set formula.

COUNCIL TAX

A charge payable by each home to the Local Authority in which the home is situated. The charge covers services provided by the Local Authority, such as rubbish collection, maintenance of roads that are 'adopted' by the Local Authority.

ADOPTED ROAD (BY A LOCAL COUNCIL).

By agreement between the housebuilder/developer and the Local Highway Authority, on completion some roads become the responsibility of the Local Authority who will then manage and maintain it at no additional cost to the residents as it is covered by Council Tax. This is described as the Local Authority 'adopting' that road.

MANAGING AGENT

A private company appointed by the EMC or Landlord to manage the affairs of the EMC/Landlord. The Managing Agent will usually take on the day-to-day management of the shared facilities/open spaces, for example, by arranging for landscape contractors to cut the grass or arrange the cleaning of the common areas of a block of flats. They will also keep the financial records, commission the production of the accounts for the EMC and issue bills to the residents for the service charges.

BACKGROUND

It is becoming increasingly common for housebuilders and developers to set up Estate Management Companies (EMCs) to manage shared spaces and facilities in a development, as a way of providing for the long-term upkeep of these common areas for residents and businesses.

Although not that common in large housing developments, sometimes the Freeholder (usually the developer in Ebbsfleet) may manage the estate themselves instead of setting up an Estate Management Company (EMC). If this happens, your lease or Deed of Transfer will mention the Freeholder instead of an EMC. Whilst the legal structure of EMCs all vary - for example, in respect of how Directors to the company are appointed – they will generally have a common purpose and basic operating characteristics.

Service charges are an amount that residents pay to cover the cost of providing communal or shared services to a building and, where relevant, the surrounding estate ('identified areas'). The following are the typical services which the Estate Management Company will be responsible for, and which they levy service charges to residents to cover the cost of items by apartment (if applicable), and then, charges relevant to your broader housing development (estate).

Irrespective of what kind of property you live in, all homes will pay towards the management fees and costs of providing the staff to manage the estate and facilities. Residents will also pay towards the administration costs of the Estate Management Company, for example, the cost to prepare audited accounts, the costs of calculating and processing service charges etc.



HOW DOES THIS WORK IN EBBSFLEET?

There are a number of Estate Management Companies in existence across the different new developments that make up Ebbsfleet Garden City.

For example across Whitecliffe (Castle Hill, Alkerden and Ashmere) all homes fall within the operations of the Ebbsfleet Valley Estate Company Ltd which has been established to own and manage the common parts within Whitecliffe. The Ebbsfleet Valley Estate Company Ltd have instructed RMG to act as the Managing Agent to carry out these responsibilities.

Some residents, in specific parts of Whitecliffe, may also fall under 'apartment block' or 'development parcel' Estate Management Companies and, if this is the case, you will be liable to pay two separate Service Charges – one to each of the Estate Management Companies.

The situation across Whitecliffe (Castle Hill, Alkerden and Ashmere) can be, for some residents, complex because they are paying two sets of service charges. Whether you are liable to pay one or two service charges, depends on which part of the estate you live and exactly how the housebuilder/developer for that parcel set things up at the outset.

Long term operations of Estate Management Companies

The legal structure of some Estate Management Companies is such that on completion and sale of all the homes in the development, the residents can nominate themselves to act as Directors of the company.

Once residents become Directors of the company they take on responsibility for conducting its affairs and meeting its obligations set out in the Deeds of Transfer or Lease. It does place the control as to how those obligations are met with the residents, including how it appoints and manages the performance of the appointed Managing Agent.

In Ebbsfleet, some of the Estate Management Companies are structured like this, but not all, so you will need to check your lease or Deed of Transfer for the situation with your home/development.



WHITECLIFFE: HOW YOUR CHARGES ARE BROKEN DOWN

Due to the size and complexity of development across Whitecliffe, you will see your service charge broken down into neighbourhood, village and estate. For residents outside of Whitecliffe, your charges will likely be broken down by block (if living in an apartment) and estate only.



APARTMENT BLOCK CHARGES

- General cleaning/caretaking, e.g. cleaning and maintenance of internal communal areas, stairs and rubbish chutes.
- Entryphone, i.e. the cost of maintaining and repairing entry-phone systems to a block.
- Lighting, including replacement of any lightbulbs in the communal areas.
- Buildings insurance against risks such as fire and flood.
- Lift maintenance and repairs.



NEIGHBOURHOOD CHARGES

- This charge relates to maintenance within individual phases of each neighbourhood, including:
 - grounds maintenance.
 - litter picking.
 - repairs around residential areas.
- You will only contribute to the neighbourhood costs for your individual phase.



VILLAGE CHARGES

- There are three separate village charges - Castle Hill, Alkerden and Ashmere.
- These service charge schedules are calculated based on services that will directly benefit the residents living within each area, incorporating the maintenance of playgrounds and park areas, as and when they are completed by the developer.



ESTATE CHARGES

- These costs are for items which benefit all homes within all three villages and the planned development within Whitecliffe. Currently this includes:
 - The maintenance of private roads where these have not been 'adopted' (see useful terms) including car parking areas and street lighting.
 - Management and maintenance of community buildings, and leisure facilities.
 - Gardening and grounds maintenance, e.g. cutting grass, planting and weeding flower beds.

SERVICE CHARGE EXAMPLES...

If you live in a Taylor Wimpey, Waterside property.

If you live in a Taylor Wimpey home in the Waterside development at Castle Hill you will be paying two charges – one to RMG and one to FirstPort. This will be the case whether you live in an apartment or house.

These two Managing Agents are acting on behalf of two separate Estate Management Companies (or in this case, the Ebbsfleet Valley Estate Company Ltd and Taylor Wimpey as the Freeholder of Waterside), so they are managing two different sets of responsibilities.

What are you paying RMG for?

The RMG charge is for facilities and areas of open space etc. across the whole of Castle Hill, Alkerden and Ashmere. If you look closely at their charges they apportion it to each property depending on which of those 'villages' you live in, so if a facility, such as the Castle Hill tennis courts, is provided for the benefit of Castle Hill residents, it will only be apportioned to Castle Hill properties, whereas a facility, such as the lakes or main road through Whitecliffe, that benefits all 3 villages will be apportioned to all properties. They usually show these different categories as 'Estate', 'Village' and 'Neighbourhood'.

What are you paying FirstPort for?

The FirstPort charges only apply to properties within the Taylor Wimpey development of Waterside, and relate to areas of landscaping, roads (etc) within the Taylor Wimpey development only. If you live in an apartment block within Waterside, your charge will include the management and maintenance of your block as well, so your charge will be higher than residents in houses.

If you live in a house in Weldon

If you live in a house in Weldon, you will be paying to HML group. This charge will cover the costs of general upkeep of the village, including landscaping, playgrounds and park areas. You won't be charged for any of the costs associated with living in an apartment, such as communal entry systems or corridors.

Some of the roads on the development will not be adopted, so will be maintained through service charges. It is usual for the final surface of roads to only be laid once all construction works on the site have been completed.

If you live in an apartment in Cable Wharf

If you live in an apartment in Cable Wharf, you will be paying Remus Management, and you will pay additional fees based on the costs associated with living in an apartment block - such as cleaning and maintenance of the internal communal areas, entry phone systems, communal lighting and building insurance.

It is worth noting that service charge will vary between blocks of flats based on the size of the block and number of apartments per block sharing these communal facilities - so it may be the case that your block pays a different price of service charge compared to your block neighbours.

FREQUENTLY ASKED QUESTIONS

Why is my council tax higher than my neighbours?

Council tax is a local tax on residential properties in the UK, including new builds. The amount you pay depends on the property's valuation band. Bands range from A (lowest) to H (highest), with higher bands resulting in higher payments. Council tax for new builds operates like any residential property. You'll be assigned a valuation band, and payments will depend on that band and the number of adults in the home.

Can I raise requests for extra services in my neighbourhood?

Service charges are designed to cover the cost of services and facilities explicitly outlined within the lease. These charges do not extend to expenses beyond what is specified in the lease agreement. In cases where additional services or facilities are offered that are not included in the original lease terms, the cost will likely be absorbed by residents and reflected via an increase in charges (for example, for extra landscaping, additional security measures, or parking services).

It should be noted that the Managing Agent may require consultation from all affected residents before proceeding with an amend or additional service. Any requests for additional or amended services should be dealt with directly via your Managing Agent.

Why do I have to pay for the upkeep of roads in my neighbourhood?

Your local council is responsible for maintaining public roads that have been adopted by them. Your council tax helps fund these services. Roads will usually only be adopted by the Council when the development is nearing full completion, although on large sites adoption will happen in stages. Until adoption, the developer maintains the road at their own expense.

Some roads in your neighbourhood will not be adopted by the Council and these roads are referred to as being 'private', despite the fact that they are not closed off to the wider public. You will not receive a reduction in Council Tax if you live in a property on a private or unadopted street.

Why do I have to pay council tax as well as a service charge?

Council tax is collected in addition to your Service Charge, and is collected by Dartford or Gravesham Borough council, depending on where you live.

Your council tax pays for important local services provided by different authorities, such as housing, refuse collection, social care, education and police. A portion of your tax also goes to Kent County Council, who provide services for education, social care, roads and transport, to name a few.

I am unhappy with Managing Agent. Who can I complain to?

Whether you are unhappy with the cost of your Service Charge, or unhappy with the quality of work received, there are a number of steps you can take to seek resolution:

Review Your Lease or Agreement: Check the terms regarding service charges, including what they cover and how they are calculated.

Contact the Estate Management Company and Managing Agent: Clearly explain your concerns and provide any supporting documentation. Document specific issues, such as inadequate services or discrepancies in charges. Photos, emails, and records of previous communications can be helpful.

Sections 21 and 22 of the Landlord and Tenant Act 1985 (LTA 1985) allow a leaseholder to obtain information about how service charges are calculated. You have a right to request this from your Estate Management Company.

Reach out to your local elected representative, who can help provide further information and guidance where possible, such as referring the issue to the Housing Ombudsman or Leasehold Advisory Services.

FURTHER ADVICE

The Housing Ombudsman

The Housing Ombudsman can investigate complaints about the communication, transparency, and fairness of service charges, but not the amount of the charges themselves.

You can bring a complaint to the Housing Ombudsman for investigation if the issues have not been resolved after using your managing agent's complaint procedure.

They can consider complaints from a resident who has a lease, tenancy, license to occupy, service agreement, or other arrangement to occupy premises owned or managed by a landlord member, and can investigate complaints about the communication, transparency, and fairness of service charges.

Their website has a useful case studies that and information for residents who have concerns about the level of service charge they have paid or have been asked to pay by their landlord.

**Further advice can be found on their website:
www.housing-ombudsman.org.uk**

The Leasehold Advisory Service

The Leasehold Advisory Service is an independent body offering free advice on residential leasehold law, with templates and guidance to follow if you are unhappy or have concerns about your service charge.

The Leasehold Advisory Service also has a helpful FAQ list which provides guidance on the options available for residents who are unhappy with the service or charges received.

You can also find information on how to make an application to the First-tier Tribunal (Property Chamber) which deals with disputes in relation to leasehold property and the private rented sector. It is worth noting there are associated costs when making an application to the First-tier Tribunal.

**Further advice can be found on their website:
www.lease-advice.org**

IMPORTANT CONTACT DETAILS

The Estate Management Companies appoint Managing Agents to conduct the daily management and maintenance of the development sites, as well as collect fees from residents. There are five Property Managing Agents across the Ebbsfleet Garden City scheme.

Estate Management Company	Managing Agent	Neighbourhoods	Contact details
Springhead Resident Management Company LTD	FirstPort	Springhead Park	0333 321 4080 help@firstport.co.uk
Ebbsfleet Cross Management Company	FirstPort	Craylands Lane (inc. Croxton & Garry)	0333 321 4080 help@firstport.co.uk
Ebbsfleet Valley Estate Company LTD	RMG	Whitecliffe	Senior Property Manager: kimberly.short@rmg.london / 0207 5981600 Property Manager: craig.morrison@rmg.london / 0207 5981600 Onsite Estate Manager: eddie.lockwood@rmg.london / 07555 238733
Taylor Wimpey (Freeholder)	FirstPort	Taylor Wimpey Whitecliffe Waterside residents	0333 321 4080 help@firstport.co.uk
Ebbsfleet Green Estate Management Company	HML Group	Weldon	01732879430 aaron.donoghue@hmlgroup.com
Cable Wharf LTD	Remus Management	Cable Wharf	01273 503922 louise.pond@remus-mgmt.co.uk
Harbour Village Management Company LTD	Trinity Estates	Harbour Village	0345 3451584 newbusiness@trinityestates.com

Dartford Borough Council	01322 343700 www.dartford.gov.uk/council-democracy/contact-us
Gravesham Borough Council	01474 337000 council.tax@gravesham.gov.uk
Ebbsfleet Development Corporation	0303 444 2586 hello@ebbsfleetdc.org.uk
Ebbsfleet Garden City Trust	www.egctrust.org.uk
Leasehold Advisory Service	www.lease-advice.org
Housing Ombudsman	0300 111 3000 www.housing-ombudsman.org.uk

Please note, Ebbsfleet Development Corporation and Ebbsfleet Garden City Trust will only provide signposting to organisations with the authority to provide professional guidance, and cannot themselves provide advice on individual service charge matters.



hello@ebbsfleetdc.org.uk
www.ebbsfleetdc.org.uk
@ebbsfleetgardencity

