



125 Hinckley Road

Leicester

LE3 0TF

Service Charge Budget Report

25th March 2026 to 24th March 2027

Contents

Introduction

The Property

Voids and Concessions

VAT

Banking

Service Charge Objectives

Management Team

Service Charge Apportionment

Budget Commentary

Appendices

- A. Service Charge Apportionment Schedule
- B. Service Charge Variance Schedule



Introduction

Historically, Tesco have maintained the communal areas at Hinckley Road. As all of the tenants benefit from the use of the communal areas and are liable to contribute towards their upkeep under the terms of their leases a service charge has been introduced in order that all of the tenants contribute towards the communal costs.

This report has been produced by Johnson Fellows on behalf of the Landlord, Tesco Stores Limited. It is intended to provide details of the planned expenditure for the service charge year ending 25th March 2027. A Budget Variance Schedule can be seen in Appendix B.

The Property

The premises are located within one mile of Leicester city Centre and has access off A563 Hinckley Road roundabout. The site benefits from a front car parking facility, landscaped area and rear service yard which are maintained directly by the service charge.

Voids and Concessions

The service charge for any void lettable units or attributable to any service charge concessions is the responsibility of the Landlord.

VAT

The Landlord has elected the property for VAT.

The service charge payable by the commercial lessees will have VAT charged at the standard rate.

Banking

Due to the general level of service charge funds, they are not maintained within a discrete bank account. The funds are held within the Johnson Fellows Clients Account which is maintained with Barclays Bank plc. As a consequence, the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.

Interest charged on late payment of service charge by tenants is to be credited to the service charge.

There is no sinking fund or reserve fund.

Service Charge Objectives

The object of this budget report is to provide clear explanation of the planned service charge expenditure on a not for profit/not for loss basis. It is also to promote clarity and transparency and to allow the leaseholders to budget accurately for the forthcoming year.

As Managing Agents, Johnson Fellows aim to provide a quality management service in order to provide a well-maintained environment and delivering value for money for the service charge expenditure.

The service charge is administered having regard to Service Charges in Commercial Property, 2nd Edition.

Management Team

Facilities Manager:

Robert Scott
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Mobile: 07540 732 602
Email: robert.scott@johnsonfellows.co.uk

Robert Scott is responsible for the repair and maintenance of the property and statutory compliance.

Management Surveyor:

Angela Lindop
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Email: angela.lindop@johnsonfellows.co.uk
Angela Lindop is responsible for the overall management of the property.

Assistant Property Manager:

Narinder Sira
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Mobile: 07745 539 094
Email: narinder.sira@johnsonfellows.co.uk

Narinder Sira assists with the management of the building, including the administration and collection of the service charge.

Service Charge Accountant:

Kiesha Gregory
Client Accounts
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Email: kiesha.gregory@johnsonfellows.co.uk

Kiesha Gregory is the client accountant responsible for this property.

Service Charge Apportionment

The service charge provisions are set out in each tenant's lease. These consistently provide for each tenant to pay a due proportion of the service charge which is attributable to each tenant's premises. The due proportion is based primarily on the net internal area of each property relative to the total net internal area of all units. If such apportionment is inappropriate, the Landlord has reasonable discretion to adopt such other due proportion as is fair and reasonable. This may include attributing the whole expenditure to a particular unit.

The net internal areas for the commercial units have been obtained from the 2010 ratings list on the VOA website.

The costs included within the budget for Schedule 1 relate to the repair and maintenance of the communal areas. The communal areas are defined as the car park located at the front of the parade on Hinckley Road, and a strip of land located at the rear of the parade on Stretton Road. All tenants contribute towards Schedule 1.

Schedule 2 relates to any Building repairs required to units 1 & 2, and only the leaseholders of Units 1 & 2 contribute towards these costs.

The service charge percentage apportionments are detailed in Appendix A.

Budget Commentary

SCHEDULE 1

All figures are shown net of VAT.

- **Management Fee** **£8244**

This figure represents the cost incurred for the management of the property and administration of the service charge, including periodic inspection. The fee to manage the property and administer the service charge. This is a fixed fee index linked annually to the Retail Price Index (RPI.)

- **Audit Fee** **£250**

This is the estimated cost of independent annual certification of the service charge.

- **Facilities Management** **£1530**

The annual cost for the Facilities Manager to organise and supervise the service charge contracts, maintenance works, and site visits. This is a fixed cost and is index linked annually to the Retail Price Index (RPI)

- **Health and Safety** **£750**

The estimated cost to complete any health and safety works, and/or any Landlord risk assessments that fall due during the service charge year.

- **External Cleaning** **£3,750**

This represents the budgeted cost for external cleaning of the site. The cost has been increased following site feedback and now includes two visits per month to carry out litter picking, weed control, kerb line cleaning, and general car park maintenance.

An additional £750 contingency has been included to cover the removal of bulky items or any fly-tipped waste that may arise during the service charge year.

- **External Landscaping** **£2,000**

This is the budgeted cost allocated for tree pruning and vegetation cutback. The amount provided for this service charge year allows for a full site cut back, along with two additional seasonal visits to prune trees, shrubs, and other vegetation as needed.

- **Snow clearance / Gritting** **£1,500**

The estimated cost of a reactive gritting contract for the car park and pathways during the winter weather periods. This cost has been increased by £400 based on the average number of visits that have been required over the last three years.

- **Drainage** **£1,200**

The budgeted annual cost to flush out the drainage system, and a contingency sum for reactive call outs to blockages. The budget has been maintained at the same level as the previous service charge year.

- **Car Park Maintenance** **£3,000**

This is the estimated cost for ad hoc car park repairs, including pothole repairs, boundary wall works, and relining where required. The budget has been increased this year to incorporate reactive repairs to the boundary walls, along with a contingency for graffiti removal, which was previously included under the Boundary Maintenance heading.

- **Boundary Maintenance** **£0**

This cost heading has been removed from the budget in this service charge year.

Total

Schedule 1 **£22,224**

SCHEDULE 2

All figures are shown net of VAT.

- **Building Repair** **£500**

A contingency for any building repairs that may be required to Units 1 and 2.

Total

Schedule 2 **£500**

Total Schedule 1 = £22,224

Total Schedule 2 = £500

Total £ £22,724

A Lindop

Angela Lindop
Management Surveyor

R. Scott

Robert Scott
Facilities Manager



Leicester:125 Hinckley Road S/C (01687)

Service Charge Unit Percentages

Recovery Group = sc

Reconciliation Period = 25/03/2026-24/03/2027

*Amounts in gbp

Unit	Tenant	Days	Schedule 1	Schedule 2
0001	Charles Michael Collins	365.00	5.4000	51.1000
0002	Mr Robert Shenton	365.00	5.2000	48.9000
0003	Tesco Stores Ltd (Express Service Charge)	365.00	28.0000	0.0000
0004	Foxglove Leicester Ltd	365.00	61.4000	0.0000
Total			100.0000	100.0000

Appendix A

Appendix B

Leicester:125 Hinckley Road S/C (01687)
Service Charge Budget Comparison
Recovery Group = sc
Reconciliation Period = 25/03/2026-24/03/2027

*Amounts in gbp

Code	Description	Budget YE (03/2027) (£)	Budget YE (03/2026) (£)	Variance (£)	%
1	Schedule 1				
5100-0101	Management Fee	8,244.00	7,946.00	298.00	3.75
5100-0203	S/C Audit Fees	250.00	250.00	0.00	0.00
5100-0309	Facilities Manager	1,530.00	1,475.00	55.00	3.73
5100-0402	Health & Safety	750.00	750.00	0.00	0.00
5300-1002	External Cleaning	3,750.00	1,500.00	2,250.00	150.00
5300-1009	External Landscaping	2,000.00	1,650.00	350.00	21.21
5300-1010	Snow clearance / Gritting	1,500.00	1,100.00	400.00	36.36
5300-1016	Drainage	1,200.00	1,200.00	0.00	0.00
5400-1505	Car Park Maintenance	3,000.00	2,000.00	1,000.00	50.00
5400-1525	Boundary Maintenance	0.00	1,500.00	-1,500.00	-100.00
	Schedule Total	22,224.00	19,371.00	2,853.00	14.73
2	Schedule 2				
5400-1530	Building Repair	500.00	500.00	0.00	0.0000
	Schedule Total	500.00	500.00	0.00	0.0000
	Total	22,724.00	19,871.00	2,853.00	14.3576