



JOHNSON FELLOWS
CHARTERED SURVEYORS

455/469 Otley Road

Bradford

BD2 4QF

Service Charge Budget Report

29th September 2015 to

28th September 2016



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Johnson Fellows. Charter House, Newhall Street, Birmingham, B3 1SW





Introduction

The service charge budget report is intended to provide details of the planned expenditure for the forthcoming service charge year.

A service charge is necessary due to there being communal structures, areas and services.

The Property

The property situated at the junction of Otley Road with Northcote Road comprises of a parade of eight self-contained retail units with ground and first floor accommodation with a front forecourt and rear communal car park and service area with vehicular access from Northcote Road.

The common parts include the main structure and roof, the forecourt, rear car park and service area and the boundary walls/fences.

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.

Reserve Fund

No lease provides for a reserve fund, so there is no 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.

We encourage leaseholders to provide comments on the format and/or the information contained in this report which would assist in the report being improved for the benefit of all concerned. We would also welcome constructive feedback on the communal services provided at the property.



As Managing Agents, Johnson Fellows aim to provide a high 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; RICS Code of Practice.



Management Team

Facilities Manager:

Chris Monteith
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0409
Mobile: 07786 072 755
Email: chris.monteith@johnsonfellows.co.uk

Chris Monteith is responsible for the repair and maintenance of the property and statutory compliance.

Management Surveyor:

Neil Wetherell
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0406
Mobile: 07836 313 914
Email: neil.wetherell@johnsonfellows.co.uk

Neil Wetherell is responsible for the overall management of the property.

Service Charge Accountant:

Rebecca Glover
Client Accounts
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0405
Email: rebecca.glover@johnsonfellows.co.uk

Rebecca Glover is the client accountant responsible for this property.



Service Charge Apportionment

The service charge operates for the whole property as defined in the lease documents. The apportionment percentages for each lessee are based upon the net internal area of each unit obtained from the independent 2010 Rating List of the Valuation Office Agency. The percentages are noted within the Service Charge Apportionment Schedule, as detailed in Appendix A.



Budget Commentary

All figures are shown net of VAT

- **Cleaning** **£635**

Contract cost for the daily cleaning of the service yard and car park at the rear of the property and the forecourt. The contractor undertakes cleaning at multiple sites and the budget reflects the proportion of costs attributed to this property. It remains at the same level as the previous two years.

- **Pest Control** **£370**

The annual contract cost for six weekly attendance of the bait boxes located in the service yard/car park.

- **Refuse** **£250**

Contingency sum for removing fly tipping from the common area.

- **Boundary Maintenance** **£500**

A budget for repairs to the boundary fencing and removal of graffiti.

- **Building Repairs** **£750**

A contingency sum for repairs required to the external structural parts of the building which form part of the Common Parts.

- **Car Park Maintenance** **£1,300**

A budget for repairs required to the service yard/car park.

- **Drain Maintenance** **£750**

The cost of annually flush of the communal drains and clearance of the grates serving the service yard/car park.

- **Electrical Repair** **£500**

For re-lamping the service yard/car park lights and a contingency for repairs.

- **Electricity Supply** **£750**

The cost of electricity consumed by the communal lighting.

- **Statutory Compliance** **£500**

The annual health and safety audit of the common parts.



- **Interest** **£0**

Any interest charged on the late payment of service charge by leaseholders will be credited to this budget.

- **Management Fee** **£1,071**

This figure represents the fee to manage the property and administer the service charge. It is a fixed fee indexed linked annually to RPI. It includes the preparation of the annual service charge accounts which are not externally certified, having regards to the level of expenditure.

- **Facility Management Fees** **£220**

The cost for the Facilities Manager to organise and supervise the service charge contracts and maintenance works. This has been increased in line with RPI.

Total

Schedule 1 **£7,596**

The total budget has marginally increased by 1.1% on the previous year's budget.

Please note this budget is net of VAT at 20%.

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Facilities Manager

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Partner

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Dated 7th September 2015

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Dated 7th September 2015



Appendix A

455-469 Otley Road, Bradford, BD2 4QF

Service Charge Apportionment Schedule

29th September 2015 to 28th September 2016

Unit	Schedule	Area (sq m)	Percentage
455	1	46.60	6.49%
457/459	1	150.61	20.96%
461	1	76.44	10.64%
463	1	78.70	10.95%
465/469	1	366.21	50.96%
TOTAL		718.56	100.00%



Appendix B

455-469 Otley Road, Bradford, BD2 4QF

Service Charge Variance Schedule

29th September 2015 to 28th September 2016

The property is VAT registered. Figures shown net of VAT.

Service Charge Item	Schedule 1	Actual 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget v Budget Variance %	Budget v Budget Variance £
Cleaning	1	£ -	£ 635	£ 635	0.00%	£ -
Pest Control	1	£ 391	£ 401	£ 370	-7.73%	-£ 31
Refuse	1	£ -	£ 250	£ 250	0.00%	£ -
Boundary Maintenance	1	£ 500	£ 2,000	£ 500	-75.00%	-£ 1,500
Building Repair	1	£ -	£ -	£ 750	N/A	£ 750
Car Park Maintenance	1	£ 3,000	£ 1,500	£ 1,300	-13.33%	-£ 200
Drain Maintenance	1	£ -	£ 500	£ 750	50.00%	£ 250
Electrical Repair	1	£ -	£ 200	£ 500	150.00%	£ 300
Electricity Supply	1	£ 2,694	£ 750	£ 750	0.00%	£ -
Statutory Compliance	1	£ -	£ -	£ 500	N/A	£ 500
Interest	1	£ -	£ -	£ -	0.00%	£ -
Management Fees	1	£ 1,033	£ 1,059	£ 1,071	1.13%	£ 12
Facilities Management	1	£ -	£ 218	£ 220	0.92%	£ 2
1 Total		£ 7,618	£ 7,513	£ 7,596	1.10%	£ 83
Grand Total		£ 7,618	£ 7,513	£ 7,596	1.10%	£ 83