



Campbells Meadow Business Park

Campbells Meadow

Kings Lynn

Norfolk

PE30 4NA

Service Charge Budget Report

**1st January 2019 to 31st December
2019**



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
C	Access Road Apportionment Schedule
D	Plan of Schedule 1 Building
E	Plan of Estate Access Road



Introduction

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 commencing 1st January 2019.

The service charge is established as provided for in the leases for the upkeep of the common parts of the property.

The Property

The property is situated 1.8 miles to the south east of Kings Lynn town centre, behind Campbell's Meadow Retail Park and adjacent to the newly built Tesco Extra/Dobbie's.

The property comprises of a self-contained distribution centre and a small terrace of office units and 5 industrial units all accessed via an estate service road.

For the office and industrial units, the service charge is to maintain the external communal areas serving these units which include the car park, paved walkways, estate lighting, landscaped areas and the cycle parking area.

The estate service road is shared by both the industrial/office units and the distribution centre together with Tesco Extra and Dobbie's Garden Centre.

Voids and Concessions

The Landlord will assume responsibility for the service charge for void units and concessions.

VAT

The property has been elected for VAT by the Landlord. Consequently all expenditure budgets are quoted net of VAT, with VAT being charged at the appropriate rate.

Banking

Due to the level of service charge funds, they are not maintained within a discrete bank account. The funds are held within the Johnson Fellows Client Account which is maintained with Barclays Bank plc, sort code 20-46-06. As a consequence the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.



Service Charge Objectives

The objective of Johnson Fellows as Managing Agents is to provide a high quality management service. In so doing we aim to provide a well maintained environment, delivering value for money for the service charge expenditure.

The object of the 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 tenants to budget accurately for the forthcoming year.

Should any occupier have comments on the format or the information contained in this report which would assist in the report being improved for the benefit of all concerned, these comments would be welcome. We would also welcome constructive feedback on the communal services provided at the property.

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:

George Brittain
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0454
Mobile: 07884 352 576
Email: george.brittain@johnsonfellows.co.uk

George Brittain 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 provisions are set out in various lease documents. They detail the service charge expenditure which tenants are to contribute towards and the method of apportionment.

Not all tenants are responsible for contributing to all expenditure, consequently Service Charge Schedules have been established.

The schedules are:

Schedule 1	Offices and Industrial Units common area
Schedule 2	No longer in use
Schedule 3	Access Road
Schedule 4	No longer in use

The due proportion has been calculated using the net internal area of each unit relative to the total net internal area of all units for schedule 1

Schedule 3 uses a weighted apportionment based off of relative plot sizes, within each plot individual units are then apportioned on the net internal area of each unit relative to the total net internal area of all units within that plot.

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 occupier.

The service charge schedules and percentage apportionments are detailed in Appendix A & B.



Budget Commentary

SCHEDULE 1 – Offices and Industrial Units Common Area

All figures are shown net of VAT

- **Cleaning** **£900**
Periodic litter pick of the site, removing all loose litter, emptying the bin and disposing it off the premise. A contingency fund is also in place for any potential fly tipping.
- **Car Park Maintenance** **£500**
Adhoc repairs to car park surface.
- **Drain Maintenance** **£500**
Flush out of surface water drains and annual cleaning of rain water goods.
- **Electrical Repairs** **£250**
Re-lamping of the car park area as required and any unforeseen reactive repairs.
- **Landscaping External** **£1,740**
Fortnightly attendance of the external landscape areas, including trees, shrub beds, hedge and grass cutting and weed control.
- **Repairs - External** **£500**
Budget for any reactive works required to the external areas of the building.
- **Gritting** **£1,000**
The annual cost for gritting the car park in front of the office and industrial units.
- **Electricity Supply** **£750**
Budgeted cost for the annual supply of external electricity to the car park area.
- **Health and Safety** **£500**
Health and safety audit of the site to ensure that it meets current regulations and highlights potential risks that can be managed.
- **Security** **£2,778**
The contracted cost for nightly patrols by Red Zone Secure.
- **Signage** **£1,500**
To install communal tenant signage.



- **Interest** **£0**

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

- **Audit Fee** **£300**

The RICS Service Charge Code of Practice provides for service charge accounts to be independently certified on an annual basis.

- **Management Fee** **£3,200**

This figure represents the fixed annual fee split over multiple schedules, compliant with the RICS Service Charge Code of Practice. It covers the property management, periodic inspection and administration of the service charge. It is subject to annual indexation.

- **Facilities Management** **£795**

The costs of the Facilities Manager to oversee contract management and compliance issues.

Total

Schedule 1 **£15,213**



SCHEDULE 2 – Distribution Centre

Removed



SCHEDULE 3 – Access Road

All figures are shown net of VAT

- **Drain Maintenance** **£2,000**
Drain maintenance of access road drains.
- **Electrical Repairs** **£2,500**
Re-lamping of the access road as required and any unforeseen reactive repairs.
- **Foot Path Maintenance** **£500**
Budget for any reactive works required to the foot paths.
- **Landscaping External** **£1,750**
Fortnightly attendance of the external landscape areas, including trees, shrub beds, hedge and grass cutting and weed control.
- **Road Maintenance** **£5,000**
Budget for any reactive works required to the access road & drainage system below it.
- **Gritting** **£3,000**
Cost of keeping the road and paths gritted during winter months.
- **Electricity Supply** **£1,000**
Budgeted cost for the annual supply of external electricity to the access road.
- **Health and Safety** **£500**
Commission of a health and safety risk assessment for the site.
- **Plant and Machinery** **£1,500**
Annual maintenance of drainage pump
- **Audit Fee** **£150**
The RICS Service Charge Code of Practice provides for service charge accounts to be independently certified on an annual basis.



- **Management Fee** **£2,750**

This figure represents the fixed annual fee split over multiple schedules, compliant with the RICS Service Charge Code of Practice. It covers the property management, periodic inspection and administration of the service charge. It is subject to annual indexation.

- **Facilities Management** **£1,000**

The costs of the Facilities Manager to oversee contract management and compliance issues.

Total

Schedule 3 **£21,650**

.....
Management Surveyor

.....
Dated
February 2019

.....
Facilities Manager

.....
Dated
February 2019



APPENDIX A

Campbells Meadow Business Park, Kings Lynn, Norfolk PE30 4NA

Service Charge Apportionment Schedule

1st January 2019 to 31st December 2019

Schedule 1 - Offices & Industrial common areas				
Unit / Plot	Sch	Tenant	NIA (Sq Ft)	Percentage
Offices 2 - 8	1	CHALCROFT RETIREMENT BENEFIT SCHEME	7,860	25.75%
10 (1)	1	Plumbcity Ltd	4,529	14.85%
12 (2)	1	PKS Developments Ltd	4,529	14.85%
14 (3)	1	Randles Candles	4,529	14.85%
16 (4)	1	Void	4,529	14.85%
18 (5)	1	Seafish Importers Ltd	4,529	14.85%
1 Total			30,505	100.000%
Schedule 2 - Distribution Centre - No Longer in Use				
Unit / Plot	Sch	Tenant	NIA (Sq Ft)	Percentage
2 Total				0.000%
Schedule 3 - Access Road				
Unit / Plot	Sch	Tenant	NIA (Sq Ft)	Percentage
Plot 1A	3	Tesco Stores Ltd		26.12%
Plot 1B	3	Dobbies Garden Centres Ltd		24.76%
Plot 2	3	Void		15.15%
Plot 3 unit 2 - 8	3	CHALCROFT RETIREMENT BENEFIT SCHEME		2.38%
Plot 3 unit 10 (1)	3	Plumbcity Ltd		1.37%
Plot 3 unit 12 (2)	3	PKS Developments Ltd		1.37%
Plot 3 unit 14 (3)	3	Randles Candles		1.37%
Plot 3 unit 16 (4)	3	Void		1.37%
Plot 3 unit 18 (5)	3	Seafish Importers Ltd		1.37%
Plot 4	3	Steven Eagell Limited		7.40%
Plot 5	3	Void		9.94%
Plot 6 unit 14-15	3	ITW Limited		7.40%
3 Total				100.000%
Schedule 4 - not in use				
Unit / Plot	Sch	Tenant	NIA (Sq Ft)	Percentage
4 Total			0	0.000%



APPENDIX B

Campbell's Meadow Business Park, Kings Lynn, Norfolk PE30 4NA

Service Charge Variance Schedule

1st January 2019 to 31st December 2019

Schedule 1 - Offices & Industrial Units Common Areas

Service Charge Item	Schedule	Budget 2018	Budget 2019	Variance %	Variance £
Cleaning	1	£900.00	£900.00	0.0%	£0.00
Car Park Maintenance	1	£500.00	£500.00	0.0%	£0.00
Drain Maintenance	1	£500.00	£500.00	0.0%	£0.00
Electrical Repairs	1	£250.00	£250.00	0.0%	£0.00
Landscape - External	1	£1,740.00	£1,740.00	0.0%	£0.00
Repairs- External	1	£500.00	£500.00	0.0%	£0.00
Gritting	1	£1,000.00	£1,000.00	0.0%	£0.00
Electricity Supply	1	£1,500.00	£750.00	-50.0%	-£750.00
Health and Safety	1	£500.00	£500.00	0.0%	£0.00
Security	1	£2,778.00	£2,778.00	0.0%	£0.00
Signage	1	£250.00	£1,500.00	500.0%	£1,250.00
Interest	1	£0.00	£0.00	0.0%	£0.00
Audit Fee	1	£300.00	£300.00	0.0%	£0.00
Management Fees	1	£3,200.00	£3,200.00	0.0%	£0.00
Facilities Management	1	£795.00	£795.00	0.0%	£0.00
1 Total		£14,713.00	£15,213.00	3.4%	£500.00

Schedule 2 - No longer used

Schedule 3 - Access Road

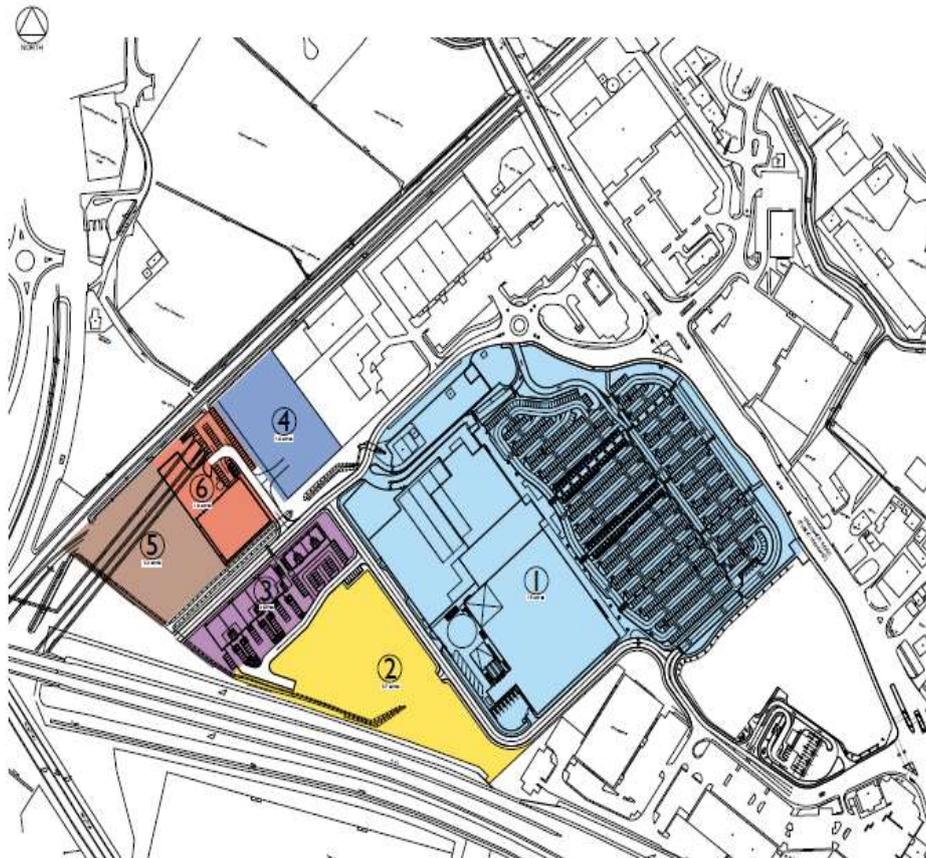
Service Charge Item	Schedule	Budget 2018	Budget 2019	Variance %	Variance £
Drain Maintenance	3	£2,000.00	£2,000.00	0.0%	£0.00
Electrical Repair	3	£2,500.00	£2,500.00	0.0%	£0.00
Foot Path Maintenance	3	£500.00	£500.00	0.0%	£0.00
Landscape External	3	£1,750.00	£1,750.00	0.0%	£0.00
Road Maintenance	3	£5,000.00	£5,000.00	0.0%	£0.00
Gritting	3	£3,000.00	£3,000.00	0.0%	£0.00
Electricity Supply	3	£3,000.00	£1,000.00	-66.7%	-£2,000.00
Health and Safety	3	£500.00	£500.00	0.0%	£0.00
Plant and Machinery	3	£1,500.00	£1,500.00	0.0%	£0.00
Reserve Fund	3	£0.00	£0.00	0.0%	£0.00
Audit Fee	3	£150.00	£150.00	0.0%	£0.00
Management Fee	3	£2,750.00	£2,750.00	0.0%	£0.00
Facilities Management	3	£1,000.00	£1,000.00	0.0%	£0.00
		£23,650.00	£21,650.00	-8.5%	-£2,000.00

Schedule 4 - No longer used



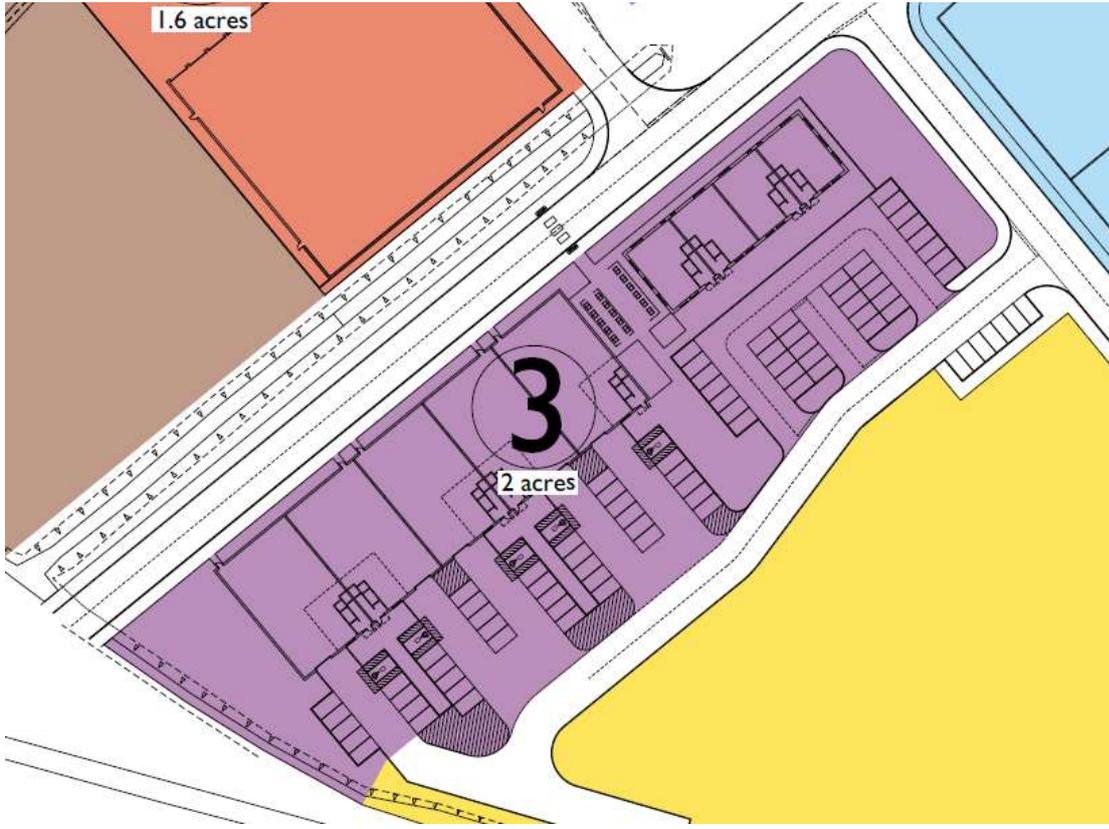
APPENDIX C
Access Road Apportionment Schedule

Plot	Unit	Schedule	Tenant	Weighted		
				Plot size	%	
Plot 1	1A	4	Tesco Stores Ltd	116,138	11.00	26.11%
	1B	4	Dobbies Garden Centres Ltd	110,154	11.00	24.76%
Plot 2	Plot 2	4	Undeveloped	0	3.28	15.14%
Plot 3	2 - 8	4	CRBS	7,860	2.00	2.38%
	10	4	Plumbcity Ltd	4,529	2.00	1.37%
	12	4	PKS Developments Ltd	4,529	2.00	1.37%
	14	4	Randles Candles	4,529	2.00	1.37%
	16	4	Void	4,529	2.00	1.37%
	18	4	Seafish Importers Ltd	4,529	2.00	1.37%
Plot 4	Plot 4	4	Steven Eagell Limited	0	1.60	7.40%
Plot 5	Plot 5	4	Undeveloped	0	2.15	9.94%
Plot 6	14 - 15	4	ITW Limited	24,228	1.60	7.40%
4 Total				281,025	21.63	100%
		Acres	Acres	Percentage		
	Plot 1	19	0-2	100.0%		
	Plot 2	3.7	2-4	75.0%		
	Plot 3	2	4+	50.0%		
	Plot 4	1.6				
	Plot 5	2.2				
	Plot 6	1.6				
	Total	30.1				





APPENDIX D
Plan of Schedule 1 Building



APPENDIX E

Plan of Estate Access Road

