JOHNSON FELLOWS

Farrell Close

Castle Street

Cirencester

GL7 1HW

Service Charge Budget Report

29th September 2026 to

28th September 2027

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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 forthcoming service charge year for the period 29 September 2026 to 28 September 2027.

The Property

The property is within Cirencester town centre next to Brewery Court Public Car Park and comprises of three retail units and first floor offices fronting Castle Street, two retail units fronting Farrell Close together with a former supermarket. It includes the pedestrian area of Farrell Close together with external service areas. The property does not include Brewery Court Car Park which is kept by the local Council.

The external communal areas which are maintained through the service charge are the pedestrian areas of Farrell Close, loading bays to the rear of Store Twenty-One and former supermarket unit, external passageway leading to the rear of 43/49 Castle Street together with external and structural parts of the buildings. There are no internal communal areas. All tenants have access to the external communal areas.

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. 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.

Reserve Fund

The Reserve Fund is in place to accrue funds to smooth the cost of any major items of repair and maintenance that needed to the building structure or external areas. These funds are held in a discrete bank account to obtain interest.

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 aid 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 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 2nd Edition.

Management Team

Facilities Manager:

Robert Scott
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0409
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:

Maria Lazenbury
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0454
Mobile: 07884 352576
Email: Maria.lazenbury@johnsonfellows.co.uk

Maria Lazenbury is responsible for the overall management of the property.

Service Charge Accountant:

Paul Evans
Client Accounts
Johnson Fellows, 180 Newhall Street, Birmingham, B3 1SJ
Direct Dial: 0121 234 0405
Email: paul.evans@johnsonfellows.co.uk

Paul Evans is the client accountant responsible for this property.

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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 on the weighted 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 weighting which has been applied is as follows: -

The first 500 sq metres	@	100%
The next 500 sq metres	@	80%
The next 1,000 sq metres	@	60%
The next 1,000 sq metres	@	50%
The next 1,000 sq metres	@	40%
Excess over 4,000 sq metres	@	30%

No weighting has been applied to basement and upper floors.

The apportionment percentages will be reviewed periodically should circumstances change.

The service charge percentage apportionments are detailed in Appendix A.

Budget Commentary

All figures are shown net of VAT.

- **Cleaning** **£6,500**

This is for the weekly cleaning and litter pick of the external communal areas, ad hoc clean of the canopy and covered entrance from Castle Street as required. This figure has been reduced slightly due to a change in contractor and the removal of the litter bins that no longer require emptying.

- **Drainage Maintenance** **£750**

Provision for drainage clearance as needed.

- **Electrical Repairs** **£1,000**

This budget heading covers the cost any repairs needed to communal lighting re-lamping.

- **Footpath Maintenance** **£1,500**

Ad-hoc repairs to the external paved areas.

- **Snow Clearance/Gritting** **£1,000**

The cost associated with re-stocking and gritting the communal walkway/areas. This figure has been increased based on expenditure actual incurred within the current year.

- **Landscaping** **£1,500**

This figure represents an ad hoc figure for any high-level pruning required and the maintenance of the landscape bed. We are also looking to potential introduce some hanging baskets and or further planters to enhance the overall appearance of the communal areas.

- **External Repairs** **£8,000**

This expenditure heading is to cover expenditure relating to any repairs and maintenance needed to the external structure of the buildings.

- **Electricity Supply** **£1,000**

This is a provisional sum for the supply of electricity that serves the external lighting when the supply to the communal areas is separated from the Old Tesco Store supply.

- **Health and Safety Inspections** **£1,600**

Cost of periodic H&S inspections any other inspections needed to adhere to statutory requirements in respect of the common areas.

- **Reserve Fund** **£4,000**

A reserve fund to make provision of any major works that may be needed to the external structure of the buildings and or areas used in common.

- **Audit Fee** **£250**

The cost for the service charge accounts to be independently certified on an annual basis as required by The RICS Service Charge Code of Practice.

- **Management Fee** **£7,238**

This figure is the cost incurred for the management of the property and administration of the service charge, including periodic inspection. The RICS Service Charge Code of Practice recommends that this be a fixed fee, subject to annual retail price indexation.

- **Facilities Management Fee** **£1,184**

The cost of the Facilities Manager, for procurement and contract management, risk management, health and safety and adhering to statutory requirements for the Estate. The fee has been adjusted by RPI.

Total

Schedule 1 **£35,522**





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Management Surveyor Facilities Manager

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Appendix A

Farrell Close, Cirencester GL7 1HW

Service Charge Apportionment Schedule

29th September 2026 to 28th September 2027

Unit	Weighted Floor Area (m²)	Percentage
1 Farrell Close	164.81	4.59%
3 Farrell Close	119.23	3.32%
4-5 Farrell Close	995.24	27.72%
Former Supermarket Farrell Close	2,027.20	56.46%
43-45 Castle Street	143.47	4.00%
1st Floor, 45 Castle Street	91.60	2.55%
49 Castle Street	48.70	1.36%
Total	**3,590.25**	**100.00%**

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Appendix B

Farrell Close, Cirencester GL7 1HW

Service Charge Schedule

29th September 2026 to 28th September 2027

The property is VAT registered. Figures shown net of VAT

Service Charge Item	Schedule	Budget YE 2026	Budget YE 2027	Budget v Budget Variance %	Budget v Budget Variance £
Cleaning	1	£ 7,000	£ 6,500.00	-7.14%	-£ 500
Drain Maintenance	1	£ 750	£ 750.00	0.00%	£ -
Electrical Repairs	1	£ 1,000	£ 1,000.00	0.00%	£ -
Footpath Maintenance	1	£ 1,500	£ 1,500.00	0.00%	£ -
Snow Clearance/Gritting	1	£ 750	£ 1,000.00	33.33%	£ 250
Landscaping	1	£ 500	£ 1,500.00	100.00%	£ 1,000
External Repair	1	£ 8,000	£ 8,000.00	0.00%	£ -
Electrical Supply	1	£ 1,000	£ 1,000.00	0.00%	£ -
Health and Safety	1	£ 1,600	£ 1,600.00	100.00%	£ -
Reserve Fund	1	£ 4,000	£ 4,000.00	100.00%	£ -
Audit Fees	1	£ 250	£ 250.00	0.00%	£ -
Management Fees	1	£ 7,030	£ 7,238.00	2.96%	£ 208
Facilities Management	1	£ 1,150	£ 1,184.00	2.96%	£ 34
	Total	**£ 34,530**	**£ 35,522**	**2.87%**	**£ 992**