



JOHNSON FELLOWS
CHARTERED SURVEYORS

Newhall Street/Charlotte Street

Birmingham

B3 1SW

Service Charge Budget Report

**1st January 2017 to 31st December
2017**



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





Introduction

This report has been produced by Johnson Fellows on behalf of the Management Company, Newhall Management Limited.

The Property

The property comprises a secure car park serving six self-contained office buildings on the corner of Newhall Street and Charlotte Street.

The communal areas to which the service charge relates comprise of a vehicle entrance from Charlotte Street, rear car park and associated service areas including a bin store.

The fabric of the office buildings including the roofs and external facades are the responsibility of the owners to maintain.

There are no internal common parts, or communal areas to the front of the buildings.

Voids & Concessions

The responsibility for service charge in respect of void accommodation or any concessions rests with the Landlord.

VAT

The property is not elected for VAT.

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

It was agreed at the 2014 AGM the Reserve Fund was at an adequate level. During this service charge year no further payments are being made in to this 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:

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 expenditure is allocated to a single schedule.

All expenditure relates to the external common parts and for services which benefit all tenants.

The service charge apportionment percentages are based on the shareholdings in the Management Company of the long leasehold owners of the individual units.

An apportionment schedule for the property is attached at Appendix A.



Budget Commentary

SCHEDULE 1

All figures are shown inclusive of VAT

- **Cleaning** **£2,000**

The contract cost for the cleaning of the car park and a provision for the removal of any fly tipping.

- **Pest Control** **£400**

Contracted cost for replenishing of bait boxes around the car park and a contingency for replacing damaged or broken bait boxes.

- **Refuse Collection** **£5,670**

Contracted provision of 2 refuse bins with regular collections. A contingency is included for any excess waste removal.

- **Drain Maintenance** **£200**

Budgeted cost for the annual flush out of the communal drains.

- **Landscaping** **£600**

Contracted cost for maintenance of the landscaped areas around the car park including a contingency for any high level pruning that may be required.

- **External Maintenance** **£1,000**

Budgeted cost for any works identified by the health and safety report.

- **Entrance Gate Maintenance** **£1,500**

Contracted quarterly service of access gates to the car park. A contingency cost is included for any unforeseen repair works that may be required.

- **Health & Safety** **£400**

The cost of a health and safety audit.

- **Insurance** **£450**

This is the total premium for public liability and Directors liability insurance cover in respect of the common parts of the property.



- **Accountancy Fees** **£1,156**

The fee for JW Hinks Chartered Accountants to complete the Management Company year end accounts. This figure has been adjusted to allow for RPI inflation.

- **Management Fee** **£2,420**

The management fee for the administration of the service charge and day to day management of the property. It is a fixed fee indexed linked annually to RPI.

Total

Schedule 1 **£15,796**

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Management Surveyor

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Facilities Manager

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Dated
30th December 2016

.....
Dated
30th December 2016



Appendix A

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Apportionment Schedule

1st January 2017 to 31st December 2017

Unit	Percentage
Unit A	10.20%
Unit B	14.70%
Unit C	14.70%
Unit D	12.80%
Unit E	26.20%
Unit F	21.40%
Total	100.00%



Appendix B

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Variance Schedule

1st January 2017 to 31st December 2017

The property is not VAT registered. Figures for Schedule 1 shown inclusive of VAT.

Service Charge Item	Schedule	Actual 2015	Budget 2016	Budget 2017	Budget v Budget Variance %	Budget v Budget Variance £
Cleaning	1	£1,728	£2,000	£2,000	0.00%	£0
Pest Control	1	£360	£400	£400	0.00%	£0
Refuse Collection	1	£5,767	£5,400	£5,670	5.00%	£270
Car Park Maintenance	1	£320	£0	£0	#DIV/0!	£0
Drain Maintenance	1	£0	£200	£200	0.00%	£0
Landscaping	1	£341	£600	£600	0.00%	£0
External Maintenance	1	£1,135	£1,800	£1,000	-44.44%	-£800
Entrance Gate Maintenance	1	£760	£1,000	£1,500	50.00%	£500
Health & Safety	1	£338	£0	£400	#DIV/0!	£400
Reserve Fund	1	£0	£0	£0	#DIV/0!	£0
Insurance	1	£630	£450	£450	0.00%	£0
Accountancy Fees	1	£1,050	£1,134	£1,156	1.94%	£22
Management Fees	1	£2,354	£2,372	£2,420	2.04%	£48
		£14,783	£15,356	£15,796	2.87%	£440