



**JOHNSON FELLOWS**  
CHARTERED SURVEYORS

**Newhall Street/Charlotte Street**

**Birmingham**

**B3 1SW**

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**Service Charge Budget Report**

**1<sup>st</sup> January 2019 to 31<sup>st</sup> December  
2019**



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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](mailto: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](mailto: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](mailto: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** **£6,000**

Contracted provision of 2 refuse bins with regular collections. A contingency is included for any excess waste removal. There is a small uplift to reflect the increased cost of the weekly collections.

- **Car Park Maintenance** **£500**

Budgeted cost for gritting the car park.

- **Drain Maintenance** **£300**

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** **£3,000**

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** **£600**

The cost of a health and safety audit.



- **Insurance** **£600**

This is the total premium for public liability and Directors liability insurance cover in respect of the common parts of the property. There has been an increase in the cost of the insurance in the past year and we have factored in a small increase for next year to take into account trends seen in the insurance industry.

- **Accountancy Fees** **£1,200**

The fee for JW Hinks Chartered Accountants to complete the Management Company year end accounts.

- **Management Fee** **£2,595**

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** **£18,795**

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Management Surveyor

.....  
Facilities Manager

.....  
Dated  
November 2018

.....  
Dated  
November 2018



**Appendix A**

**Newhall Street/Charlotte Street, Birmingham B3 1SW**

**Service Charge Apportionment Schedule**

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

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

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



**Appendix B**

**Newhall Street/Charlotte Street, Birmingham B3 1SW**

**Service Charge Variance Schedule**

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

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

<b>Service Charge Item</b>	<b>Schedule</b>	<b>Budget 2018</b>	<b>Budget 2019</b>	<b>Budget v Budget Variance %</b>	<b>Budget v Budget Variance £</b>
Cleaning	1	£2,000	£2,000	0.00%	£0
Pest Control	1	£400	£400	0.00%	£0
Refuse Collection	1	£5,800	£6,000	3.45%	£200
Car Park Maintenance	1	£0	£500	0.00%	£500
Drain Maintenance	1	£300	£300	0.00%	£0
Landscaping	1	£600	£600	0.00%	£0
External Maintenance	1	£1,000	£1,000	0.00%	£0
Entrance Gate Maintenance	1	£2,400	£3,000	25.00%	£600
Health & Safety	1	£600	£600	0.00%	£0
Reserve Fund	1	£0	£0	0.00%	£0
Insurance	1	£450	£600	33.33%	£150
Accountancy Fees	1	£1,200	£1,200	0.00%	£0
Management Fees	1	£2,513	£2,595	3.26%	£82
		<b>£17,263</b>	<b>£18,795</b>	<b>8.87%</b>	<b>£1,532</b>