



Newhall Street/Charlotte Street

Birmingham

B3 1SW

Service Charge Budget Report

1st January 2023 to

31st December 2023



Contents

Introduction

The Property

Voids and Concessions

VAT

Banking

Reserve Fund

Service Charge Objectives

Management Team

Service Charge Apportionment

Budget Commentary

Appendices

- A. Service Charge Apportionment Schedule
- B. Service Charge Variance Schedule

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:

Robert Scott
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0409
Mobile: 07786 072 755
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, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0454
Mobile: 07884 352 576
Email: george.brittain@johnsonfellows.co.
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

- **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** **£8,500**

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

- **Car Park Maintenance** **£2,000**

Budgeted cost for gritting the car park, in addition to any H&S and maintenance items required and ad hoc items that may be required.

- **Drain Maintenance** **£650**

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

- **External Landscaping** **£800**

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** **£1,500**

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

- **Entrance Gate Maintenance** **£1,000**

A provision and contingency for any maintenance and repairs required to the access gates to the car park.

- **Health & Safety** **£700**

The cost of a health and safety audit.



- **Insurance** **£500**

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

- **Accountancy Fees** **£1,200**

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

- **Management Fee** **£3,176**

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 **£20,426**

A handwritten signature in black ink, appearing to be 'M.D.', written over a dotted line.

.....
Management Surveyor

A handwritten signature in black ink, appearing to be 'A. Lantieri', written over a dotted line.

.....
Facilities Manager



Appendix A

Newhall Street/Charlotte Street, Birmingham B3 1SW

Service Charge Apportionment Schedule

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%

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 2023 to 31st December 2023

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

Service Charge Item	Schedule	Budget 2022	Budget 2023	Budget v Budget Variance %	Budget v Budget Variance £
Cleaning	1	£ 1,900	£ -	-100.00%	-£1,900
Pest Control	1	£ 400	£ 400	0.00%	£0
Refuse Collection	1	£ 7,000	£ 8,500	21.43%	£1,500
Car Park Maintenance	1	£ 2,000	£ 2,000	0.00%	£0
Drain Maintenance	1	£ 650	£ 650	0.00%	£0
External Landscaping	1	£ 500	£ 800	60.00%	£300
External Maintenance	1	£ 1,000	£ 1,500	50.00%	£500
Entrance Gate Maintenance	1	£ 1,500	£ 1,000	-33.33%	-£500
Health & Safety	1	£ 700	£ 700	0.00%	£0
Reserve Fund	1	£ -	£ -	0.00%	£0
Insurance	1	£ 500	£ 500	0.00%	£0
Accountancy Fees	1	£ 1,200	£ 1,200	0.00%	£0
Management Fees	1	£ 2,819	£ 3,176	12.66%	£357
		£20,169	£20,426	1.27%	£257