



JOHNSON FELLOWS
CHARTERED SURVEYORS

1016 Kingsbury Road,
Erdington,
Birmingham,
B24 9PZ

Service Charge Budget Report

1st January 2024 to

31st December 2024



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
- B. Service Charge Variance

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





Introduction

Johnson Fellows are appointed by Capital & Provincial Retail Ltd to manage the communal areas and services of the property following completion of its redevelopment in 2023.

A service charge is required to maintain the communal structures, services, and areas.

The service charge budget report provides details of the planned expenditure for the forthcoming service charge year.

Please note that the service charge year commences 1st January 2024.

The Property

The property comprises of two retail units, both benefit from external seating areas and one benefits from a drive through facility. Demised refuse compounds are to the rear southern side of the site.

To the front of the building are communal vehicle circulation roads with two access points from Kingsbury Road and the roundabout, pathways and customer car parking with two disabled spaces. There are small areas of communal soft landscaping. On the front boundary of the site is a totem pole with individual tenant signage.

To the front of the site are two electric vehicle charging points serving four car spaces.

The structure external parts of the building and exclusive plant and equipment are demised to the tenants and do not form part of the common parts.

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 has 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. Consequently, the service charge is not credited with any interest, neither are any bank charges allocated to the service charge.

Reserve Fund

A reserve fund is not established.

Service Charge Objectives



The object of this 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 seeks to provide a high-quality management service to deliver a well-maintained environment with value for money for the service charge expenditure.

The service charge is administered having regard to the RICS professional statement, Service Charges in Commercial Property, 1st Edition.

Management Team

Facilities Manager:

Robert Scott
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0407
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:

Neil Wetherell
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
Direct Dial: 0121 234 0406
Mobile: 07836 313 914
Email: neil.wetherell@johnsonfellows.co.uk

Neil Wetherell is responsible for the overall management of the property.

Service Charge Apportionment

The service charge operates for the whole property as defined in the lease documents. Appendix A, Service Charge Apportionment details the apportionment percentages for each lessee.

Budget Commentary

SCHEDULE 1 – General

All figures are net of VAT

- **Management Fee** **£3,000**



This figure represents the fee to manage the common parts and administer the service charge. It is indexed linked to RPI.

- **S/Charge Audit Fees** **£300**

This budget provides for external accountants to certify the service charge.

- **Facilities Manager** **£1,000**

The figure represents the facilities managers fee to administer the maintenance contracts and organise the repair and maintenance of the common parts. It is a fixed fee indexed linked annually to RPI.

- **Landlords risk assessments, audits & reviews** **£750**

The budget for the annual health and safety audit of the common parts of the property.

- **Signage** **£250**

The contract cost for the cleaning of the walkways and front car park.

- **Electricity** **£500**

The contract cost for the cleaning of the walkways and front car park.

- **External Cleaning** **£2,500**

The contract cost for the cleaning of the walkways and front car park.

- **Pest Control** **£700**

The contract cost for the cleaning of the walkways and front car park.

- **External Landscaping** **£1,000**

The contract cost for the cleaning of the walkways and front car park.

- **Snow Clearance/ Gritting** **£1,900**

The budget for the gritting of the front car park and pedestrian walkways.

- **Drainage** **£1,000**

Annual flush and maintenance of the drains serving the commercial premises, having regards to the high fat content of waste from the food takeaway tenants.

- **External Repairs & Maintenance** **£2,500**

A contingency budget for reactive works required during the year.

- **Electrical Repair** **£500**

The contract cost for the cleaning of the walkways and front car park.



- **Other Income** **-£400**

The contract cost for the cleaning of the walkways and front car park.

Total

Schedule 1 **£15,500**

Please note this budget is net of VAT at 20%.

.....
Management Surveyor

.....
Facilities Manager



Appendix A

1016-1018 Kingsbury Road, Erdington (01974)

Service Charge Unit Percentages

Recovery Group = sc

Reconciliation Period = 01/01/2024-31/12/2024

*Amounts in gbp

Unit	Tenant	Days	Schedule 1
0001	Greggs plc (Original)	366.00	40.8000
0002	Costa Ltd (Original)	366.00	59.2000
0003	SWARCO Smart Charging Limited (C	366.00	0.0000
0004	MUA Electricity Limited (Original)	366.00	0.0000
	Total		100.0000



Appendix B

1016-1018 Kingsbury Road, Erdington (01974)

Service Charge Budget Comparison

Recovery Group = sc

Reconciliation Period = 01/01/2024-31/12/2024

*Amounts in gbp

Code	Description	Budget (12/ 2024)
1	Schedule 1	
5100-0101	Management Fee	3,000.00
5100-0203	S/C Audit Fees	300.00
5100-0309	Facilities Manager	1,000.00
5100-0401	Landlords risk assessments, audits	750.00
5100-0408	Signage	250.00
5200-0501	Electricity	500.00
5300-1002	External Cleaning	2,500.00
5300-1007	Pest control	700.00
5300-1009	External Landscaping	1,000.00
5300-1010	Snow clearance / Gritting	1,900.00
5300-1016	Drainage	1,000.00
5400-1502	External Repairs and maintenance	2,500.00
5400-1535	Electrical Repair	500.00
5500-1703	Other income	-400.00
	Schedule Total	15,500.00