



JOHNSON FELLOWS
CHARTERED SURVEYORS

1016 Kingsbury Road,
Erdington,
Birmingham,
B24 9PZ

Service Charge Budget Report

1st January 2026 to

31st December 2026



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Johnson Fellows. 180 Newhall Street, Birmingham, B3 1SJ





Introduction

Johnson Fellows are appointed by AC Lloyd (Asset Management) Ltd to manage the communal areas and services of the property following their purchase of the property in August 2024.

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.

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 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 and external parts of the building, 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:

Maria Lazenbury
Johnson Fellows, Charter House, 163 Newhall Street, Birmingham, B3 1SW
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 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.

The vehicle charging facility pays a fixed contribution to the service charge.



Budget Commentary

SCHEDULE 1 – General

All figures are net of VAT

- **Management Fee** **£2,298**

This figure represents the fee to manage the common parts and administer the service charge. The fee has been increased indexed to RPI.

- **S/Charge Audit Fees** **£300**

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

- **Facilities Manager** **£1,828**

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 which has been increased indexed to RPI.

- **Landlords risk assessments, audits & reviews** **£550**

The budget for the annual health and safety audit of the common parts of the property. This cost has reduced based on actual expenditure incurred in 2025.

- **Signage** **£500**

A provisional cost for new or alteration to the communal signage which might be required during the year as the use of the site develops.

- **External Cleaning** **£3,850**

The contract cost for the cleaning of the external communal areas, this has increased slightly to reflect an increase in contract cost.

- **Pest Control** **£700**

The contract cost for pest control provided to the external communal areas.

- **External Landscaping** **£500**

The contract cost for the maintenance of the soft landscaping and boundary tree maintenance.

- **Snow Clearance/ Gritting** **£1,200**

The budget for the gritting of the front car park and pedestrian walkways. This has been reduced slightly based on actual expenditure incurred for 2025.

- **Drainage** **£1,000**



Annual flush and maintenance of the communal drains. This cost has increased slightly based on actual expenditure in 2025 and makes provision for annual clean.

- **External Repairs & Maintenance** **£2,000**

A contingency budget for reactive works required during the year. This has been increased slightly to ensure provision for ad hoc repairs given actual expenditure incurred in 2025.

- **Electrical Repair** **£500**

A contingency budget for reactive works required during the year to the car park lighting and totem sign.

- **Other Income** **-£400**

The contribution to the service charge for the electric vehicle charging parking spaces. This contribution will be increased annually indexed to RPI with effect from August 2026. The increase will be calculated and reconciled at the year end when the indexation data is available.

Total

Schedule 1 **£14, 825**

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

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Management Surveyor

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Facilities Manager



Appendix A

1016-1018 Kingsbury Road, Erdington (01974)

Service Charge Unit Percentages

Recovery Group = sc

Reconciliation Period = 01/01/2026-31/12/2026

*Amounts in gbp

Unit	Tenant	Days	Schedule 1
0001	Greggs plc	365.00	40.8000
0002	Costa Ltd	365.00	59.2000
	Total		100.0000



Appendix B

1016-1018 Kingsbury Road, Erdington (01974)

Service Charge Budget Comparison

Recovery Group = sc

Reconciliation Period = 01/01/2026-31/12/2026

*Amounts in gbp

Code	Description	Budget (12/2025)	Budget (12/2026)	Variance	%
1	Schedule 1				
5100-0101	Management Fee	2,200.00	2,298	98	4.44%
5100-0203	S/C Audit Fees	300.00	300.00	0.00	0.00%
5100-0309	Facilities Manager	1,750.00	1,828	78	4.44%
5100-0401	Landlords risk assessments, audits & reviews	750.00	550.00	-200.00	-26.67%
5100-0408	Signage	500.00	500.00	0.00	0.00%
5300-1002	External Cleaning	3,500.00	3,850.00	350.00	10.00%
5300-1007	Pest Control	700.00	700.00	0.00	0.00%
5300-1009	External Landscaping	500.00	500.00	0.00	0.00%
5300-1010	Snow clearance / Gritting	1,500.00	1,200.00	-300.00	-20.00%
5300-1016	Drainage	750.00	1,000.00	250.00	33.33%
5400-1502	External Repairs and maintenance	1,750.00	2,000.00	250.00	14.29%
5400-1535	Electrical Repair	100.00	500.00	400.00	400.00%
5500-1703	Other Income	-400.00	-400.00	0.00	0.00%
	Schedule Total	13,900	14,825	925	6.66%