

Estate Service Charge Budget

in respect of

Minerva Heights Chichester

prepared for

Vistry Group and Miller Homes

on

15th March 2023

by

Remus Management Limited

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**Estate Service Charge Budget
in respect of
Minerva Heights
Chichester**

	£
Landscape Maintenance	43,000.00
Sports Pitch Maintenance	17,000.00
Sports Pavilion Management and Maintenance	39,379.00
Arboriculturist	1,500.00
SUDS & SANGS Maintenance	7,000.00
Drainage Maintenance	1,500.00
Road Cleaning and Maintenance	500.00
Public Liability Insurance	1,400.00
Provision for General Repairs	4,000.00
Play Equipment Inspection and Maintenance	2,500.00
Maintenance of Estate Furniture & Bins (Including Litter and Dog Waste Collection)	1,500.00
EV Charging Points Maintenance Contract	400.00
Estate Electricity	4,600.00
Health & Safety Risk Assessment (Estate)	1,100.00
Management Company Costs	800.00
Bank Charges	1,500.00
Accountancy	1,950.00
Managing Agents Fee	54,000.00
Total	<u>183,629.00</u>
Transfer to Reserve Funds	
Future replacement of play equipment and estate furniture	3,000.00
Future re-surfacing of the Spine Road	2,000.00
Future re-surfacing of un-adopted access roads/pathways	4,000.00
	<u>9,000.00</u>
Total	<u>192,629.00</u>
Amount Per Property (÷750)	£256.84

**Explanatory Notes re
Estate Service Charge Budget
in respect of
Minerva Heights
Chichester**

Landscape Maintenance:

To maintain the Estate in full compliance with the Landscape Management Plans including maintenance of the Suitable Alternative Natural Greenspace' (SANGS) at an anticipated sum of £43,000.00 per annum.

Sports Pitch Maintenance:

Based on an estimate of £17,000.00 per annum to maintain the sports pitches.

Sports Pavilion Management and Maintenance:

Based on an estimate of 39,379.00 per annum to maintain for all general items of maintenance and repair to the sports pavilion, utility supplies and a Caretaker, please see the following schedules for a detailed breakdown of the cost..

Arboriculturist:

An inspection of all the estate's mature trees and a report on their condition produced. Any works recommended in the report will be undertaken by qualified forestry workers.

SUDS and SANGS Maintenance:

Based on an estimate of £7,000.00 per annum to maintain in accordance with CIRIA Best Practice Guidelines as detailed below.

SUDS components operation and maintenance activities

Operation and maintenance activity	SUDS component												
	Pond	Wetland	Detention basin	Infiltration basin	Soakaway	Infiltration trench	Filter drain	Modular storage	Permeable pavement	Swale/bioretention/ trees	Filter strip	Green roofs	Proprietary
Regular maintenance													
Inspection	■	■	■	■	■	■	■	■	■	■	■	■	■
Litter and debris removal	■	■	■	■	□	■	■	□	■	■	■		□
Grass cutting	■	■	■	■	□	■	■	□	□	■	■		
Weed and invasive plant control	□	□	□	□		□	□		□		□	■	
Shrub management (including pruning)	□	□	□	□					□	□	□		
Shoreline vegetation management	■	■	□										
Aquatic vegetation management	■	■	□										
Occasional maintenance													
Sediment management ¹	■	■	■	■	■	■	■	■	■	■	■	■	■
Vegetation replacement	□	□	□	□						□	□	■	
Vacuum sweeping and brushing										■			
Remedial maintenance													
Structure rehabilitation/repair	□	□	□	□	□	□	□	□	□	□	□	□	
Infiltration surface reconditioning				□	□	□	□		□	□	□		

Key

- will be required
- may be required

Notes

¹ Sediment should be collected and managed in pre-treatments systems, upstream of the main device.

Drainage Maintenance:

A sum of £1,500.00 per annum to maintain any private drainage not adopted by the local authority.

Road Cleaning and Maintenance:

Based on an estimate of £500.00 per annum to check and clear surface water gulleys for all non-adopted highways.

Public Liability Insurance:

A public liability insurance policy will be put in place at a projected annual premium of £1,400.00, in respect of the managed areas of the development.

Provision for General Repairs:

A sum of £4,000.00 per annum to cover the cost of any estate repairs as and when required.

Play Equipment Inspection & Maintenance:

Inspection and maintenance of play equipment as per ROSPA guidelines.

Maintenance of Estate Furniture & Bins:

Inspection and maintenance of the estate furniture and weekly emptying of the litter and dog waste bins at a cost of approximately £1,500.00 per annum

Maintenance of the Communal EV Charging Points:

An estimated sum of £400.00 per annum to cover the costs of maintenance of the communal EV charging points.

Estate Electricity:

Based on an annual charge of £4,600.00 per annum to cover the cost of electricity in respect of external lighting columns/bollards on all un-adopted highways, access roads and pathways.

Health & Safety Risk Assessment:

A Health & Safety Risk Assessment will be carried out after management has commenced, at a cost of approximately £1,100.00 then as and when required in accordance with statutory regulations and guidelines.

Management Company Costs:

To cover the costs incurred which includes – production and filing of Company Accounts, Annual Return, Tax Return, Company Secretarial Services and Directors & Officers Liability Insurance.

Bank Charges:

Charges levied by the Bank for maintaining the Service Charge Client Account.

Accountancy:

These costs relate to the production, certification and circulation of the annual service charge account.

Managing Agent Fees:

An amount of £60.00 + VAT per property, per annum. A summary of the services provided within our fees is available upon request.

Transfer to Reserve Fund:

£3,000.00 per annum to cover future costs for repair/replacement of Play Equipment, estate furniture and future cyclical maintenance of the sports pavilion and pitches.

£2,000.00 per annum to cover future costs for repair/re-surfacing of the spine road

£4,000.00 per annum to cover future costs for repair/re-surfacing of un-adopted access roads/pathways.

Please note this is an estimate of expenditure based on a budget analysis by Remus Management Limited. Whilst every care has been taken in preparing these figures, they are estimates only based upon the inspection of architects drawings, and knowledge of expenditure incurred on similar developments. It will not be possible to gauge the accuracy of these figures until the end of the first full financial year. Please therefore note that if at the end of the first full financial year expenditure exceeds income, any shortfall will be recoverable from the Freeholders/Lessees in accordance with the terms of the lease/TP1.

**Service Charge Budget
in respect of the Sports Pavilion
Minerva Heights
Chichester**

	£
Buildings Insurance Premium (Including Contents)	1,700.00
Electricity	1,800.00
Provision for General Repairs	2,000.00
Water Charges	1,000.00
Booking Management Software	2,520.00
Health & Safety Risk Assessment (Block)	200.00
Miscellaneous Cleaning Materials	750.00
Total	<u>9,970.00</u>
Transfer to Reserve Funds	
Interior Redecoration	1,000.00
Exterior Redecoration	1,000.00
Replacement of Fixtures and Fittings	1,000.00
	<u>3,000.00</u>
Total	<u>12,970.00</u>
Caretaker	
Salary - £10.42 per hour x 40 hours per week x 52 weeks	21,673.00
Employers NI at 13.8%	1,586.00
Employers Pension Contribution 3%	650.00
Holiday Cover/Sickness Absence - 6 weeks	2,500.00
	<u>26,409.00</u>
Total	<u>39,379.00</u>

Schedule I
Estate Service Charge Budget
in respect of
Minerva Heights
Chichester

	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Inflation Percentage	10.9	5.2	1.4	2	2	2	2	2	2	2

Inflation rates quoted accord with the Bank of England Monetary Policy as issued in November 2022 up to 2025 and thereafter are shown at 2% per annum

	£	Year									
		1	2	3	4	5	6	7	8	9	10
Landscape Maintenance	43,000.00	43,000.00	47,687.00	50,166.72	50,869.06	51,886.44	52,924.17	53,982.65	55,062.30	56,163.55	57,286.82
Sports Pitch Maintenance	17,000.00	17,000.00	18,853.00	19,833.36	20,111.02	20,513.24	20,923.51	21,341.98	21,768.82	22,204.19	22,648.28
Sports Pavilion Management and Maintenance	39,379.00	39,379.00	43,671.31	45,942.22	46,585.41	47,517.12	48,467.46	49,436.81	50,425.55	51,434.06	52,462.74
Arboriculturist	1,500.00	1,500.00	1,663.50	1,750.00	1,774.50	1,809.99	1,846.19	1,883.12	1,920.78	1,959.19	1,998.38
SUDS & SANGS Maintenance	7,000.00	7,000.00	7,763.00	8,166.68	8,281.01	8,446.63	8,615.56	8,787.87	8,963.63	9,142.90	9,325.76
Drainage Maintenance	1,500.00	1,500.00	1,663.50	1,750.00	1,774.50	1,809.99	1,846.19	1,883.12	1,920.78	1,959.19	1,998.38
Road Cleaning and Maintenance	500.00	500.00	554.50	583.33	591.50	603.33	615.40	627.71	640.26	653.06	666.13
Public Liability Insurance	1,400.00	1,400.00	1,552.60	1,633.34	1,656.20	1,689.33	1,723.11	1,757.57	1,792.73	1,828.58	1,865.15
Provision for General Repairs	4,000.00	4,000.00	4,436.00	4,666.67	4,732.01	4,826.65	4,923.18	5,021.64	5,122.07	5,224.52	5,329.01
Play Equipment Inspection and Maintenance	2,500.00	2,500.00	2,772.50	2,916.67	2,957.50	3,016.65	3,076.99	3,138.53	3,201.30	3,265.32	3,330.63
Maintenance of Estate Furniture & Bins (Including Litter and Dog Waste Collection)	1,500.00	1,500.00	1,663.50	1,750.00	1,774.50	1,809.99	1,846.19	1,883.12	1,920.78	1,959.19	1,998.38
EV Charging Points Maintenance Contract	400.00	400.00	443.60	466.67	473.20	482.66	492.32	502.16	512.21	522.45	532.90
Estate Electricity	4,600.00	4,600.00	5,101.40	5,366.67	5,441.81	5,550.64	5,661.66	5,774.89	5,890.39	6,008.19	6,128.36
Health & Safety Risk Assessment (Estate)	1,100.00	1,100.00	1,219.90	1,283.33	1,301.30	1,327.33	1,353.87	1,380.95	1,408.57	1,436.74	1,465.48
Management Company Costs	800.00	800.00	887.20	933.33	946.40	965.33	984.64	1,004.33	1,024.41	1,044.90	1,065.80
Bank Charges	1,500.00	1,500.00	1,663.50	1,750.00	1,774.50	1,809.99	1,846.19	1,883.12	1,920.78	1,959.19	1,998.38
Accountancy	1,950.00	1,950.00	2,162.55	2,275.00	2,306.85	2,352.99	2,400.05	2,448.05	2,497.01	2,546.95	2,597.89
Managing Agents Fee	54,000.00	54,000.00	59,886.00	63,000.07	63,882.07	65,159.71	66,462.91	67,792.17	69,148.01	70,530.97	71,941.59
Total	183,629.00	183,629.00	203,644.56	214,234.08	217,233.36	221,578.02	226,009.58	230,529.77	235,140.37	239,843.18	244,640.04
Transfer to Reserve Funds											
Future replacement of play equipment and estate furniture	3,000.00	3,000.00	3,327.00	3,500.00	3,549.00	3,619.98	3,692.38	3,766.23	3,841.56	3,918.39	3,996.75
Future re-surfacing of the Spine Road	2,000.00	2,000.00	2,218.00	2,333.34	2,366.00	2,413.32	2,461.59	2,510.82	2,561.04	2,612.26	2,664.50
Future re-surfacing of un-adopted access roads/pathways	4,000.00	4,000.00	4,436.00	4,666.67	4,732.01	4,826.65	4,923.18	5,021.64	5,122.07	5,224.52	5,329.01
	9,000.00	9,000.00	9,981.00	10,500.01	10,647.01	10,859.95	11,077.15	11,298.69	11,524.67	11,755.16	11,990.26
Total	192,629.00	192,629.00	213,625.56	224,734.09	227,880.37	232,437.97	237,086.73	241,828.47	246,665.04	251,598.34	256,630.31
Amount Per Property (÷ 750)	£256.84	£256.84	£284.83	£299.65	£303.84	£309.92	£316.12	£322.44	£328.89	£335.46	£342.17

Whilst Remus Management Limited have prepared these estimates using reasonable skill and care the actual constituent costs at the relevant time in each case may be higher or lower depending on various factors including (without limitation) inflation, changes in legislation, availability of supplies and services or the amendment of the contracted services. Remus Management Limited therefore accepts no liability for any loss damage or expenses howsoever arising from any reliance on the accuracy of these estimates or any part of them.