

Estimated cost of services for year ending 30 June 2020

Issued v1.0 - 13 June 2019



Annual expenditure	Y/E 2019 Estimate	Y/E 2020 Estimate	Estate	Flats	Basis
Maintenance					
Repairs and maintenance	£7,750	£7,400	£1,300	£6,100	Estimated cost based on past costs
Parking control	£720	£720	£720		Estimated cost based on past costs
Door entry system	£250	£250		£250	Estimated maintenance cost reduced now units have been replaced
Cleaning of flat common areas	£14,414	£14,774		£14,774	Current contract with contractual 2.5% increase
Bin store cleaning & rubbish removal	£7,906	£9,504	£4,752	£4,752	Current contract with contractual 2.5% increase plus higher disposal, split 50/50
Gardening	£30,764	£31,264	£15,632	£15,632	Current contract with contractual 2.5% increase plus extras, split 50/50
Tree pruning	£2,500	£3,200	£3,200		Estimated cost above usual level for lime trees, based on past costs
Utilities					
Electricity	£4,824	£5,707	£2,568	£3,139	Estimated cost based on past cost and price changes, split 45/55 by power
Professional fees					
Legal and professional fees	£750	£750	£750		Estimated cost as most costs re-charged to properties
Managing Agent fees	£44,824	£45,945	£9,189	£36,756	Current contract with contractual 2.5% indexed increase, split 20/80
Accountancy fees	£4,200	£4,305	£2,583	£1,722	Estimated cost based on past costs, split 60/40
Health and safety fees	£984	£984	£197	£787	Annual & quarterly inspection costs based on current fees, split 20/80
Management Company & sundry expenses	£300	£300	£300		Estimated cost based on past costs
Insurance					
Buildings insurance	£19,210	£21,573	£890	£20,683	Actual premium for revised reinstatement value, split 4/96 per valuation
Terrorism insurance	£5,266	£5,914	£244	£5,670	Actual premium for revised reinstatement value, split 4/96 per valuation
D&O insurance	£365	£365	£365		Actual premium
Total estimated annual expenditure	£145,027	£152,955	£42,690	£110,265	
Non-annual expenditure					
Estate Reserve Fund Collection	£3,154	£4,816	£4,816		Estate expenditure including clock tower, portico, paving and contingency
Flats Reserve Fund Collection	£10,611	£0		£0	Flats common expenditure and contingency reserve
Flats Reserve A Collection	£1,535	£1,554		£1,554	7-10 Abbey Drive
Flats Reserve B Collection	£1,882	£4,442		£4,442	21-26 Abbey Drive
Flats Reserve C Collection	£1,750	£2,049		£2,049	31-36 Abbey Drive
Flats Reserve D Collection	£1,687	£3,901		£3,901	17-27 Carlisle Way
Flats Reserve E Collection	£4,477	£6,209		£6,209	31-45 Church Lane
Flats Reserve F Collection	£4,529	£5,730		£5,730	1-23 Limetree Walk
Flats Reserve G Collection	£4,139	£4,176		£4,176	2-24 Limetree Walk
Flats Reserve H Collection	£1,409	£1,010		£1,010	130-133 Rectory Lane
Flats Reserve I Collection	£14,340	£20,527		£20,527	1-71 St Benedicts Close
Flats Reserve J Collection	£4,257	£5,097		£5,097	73-103 St Benedicts Close
Flats Reserve K Collection	£5,097	£5,936		£5,936	105-135 St Benedicts Close
Flats Reserve L Collection	£1,846	£2,284		£2,284	18-28 St Benedicts Close
Total estimated non-annual expenditure	£60,713	£67,731	£4,816	£62,915	
Total estimated expenditure	£205,740	£220,686	£47,506	£173,180	

In accordance with the documentation relating to St Benedicts Estate we hereby certify that the interim service charge payable for the year ending 30 June 2020 shall be based upon expenditure, including insurances, of £220,686 (split £47,506 Estate and £173,180 Flats), which we consider to be a fair and reasonable interim payment.

Rendall and Rittner Limited, Managing Agent, June 2019



Common reserve funds 2019-20	Basis	Average annual inflation rate allowed for period	2%	Estate Reserve	Flats Reserves:	Common	Block						
Periodic maintenance and other costs													
Blocks of flats external & internal repair & redecoration	Previous cost in 2015 excl VAT allowing for inflation						£128,925						
Estate facilities repair & redecoration inc clock tower	Previous cost in 2015 excl VAT allowing for greater degree of repair as deteriorates and inflation			£4,303									
Surveyor and CDM fees	10%			£430			£12,893						
Paving, wall and fencing repair & replacement				£3,428									
Parking space repairs required for safety in 2019	Expected additional costs above previous budget			£1,000									
Replace remaining street lights with LED	Costs for first 4 have been allowed for in the estimate of current reserves so are not included here			£1,500									
Communal electrical upgrade & replacement (note 5)	Likely to be required around 40 years after installation, being collected for 2025		6	£963		£2,538							
Flat block roof inspection during periodic work (note 6)	Estimate based on previous costs in 2014					£5,000							
Communal floor sealing (note 7)	Previous quotation allowing for inflation £5,100					£0							
3-5 yearly insurance revaluation	Carried out in 2019, next due 2024, to collect from 2020 (excl VAT allowing for inflation)			£0		£0							
5-yearly electrical testing	Carried out in 2018, next due 2023, to collect from 2020 (excl VAT allowing for inflation)												
Structural engineer check of wall cracking	Previous cost in 2012 excl VAT assuming done each maintenance period allowing for inflation						£1,987						
<i>Total of periodic maintenance excluding VAT</i>				£11,624			£141,818						
<i>Total of periodic maintenance including VAT</i>	VAT rate	20%		£13,949	£151,343	£9,525	£170,182						
Common reserve funds													
Contingency reserve (note 2)	% of periodic maintenance	40.0%	minimum	£5,000	£72,645	£72,645							
Additional reserve to cover arrears	Not available to fund work			£143		£2,910							
<i>Total to collect over period</i>				£19,672		£86,985							
LESS Current reserves	Accounts at 30 June 2018, contributions and authorised expenditure 2018-19			(£14,856)		(£89,056)							
<i>Balance to collect over period</i>	(Block total split by block below)			£4,816		(£2,071)	£170,182						
Common reserve funds collection													
Collection period	Total years in period	5	(note 1)										
Collection per year	Years remaining in period	1	(note 1)	£4,816		(£2,071)							
Common amount to collect this year (note 4)				£0		£0							
Collection in budget 2019-20				£4,816		£0							
Flat blocks reserve funds 2019-20													
	Block A	Block B	Block C	Block D	Block E	Block F	Block G	Block H	Block I	Block J	Block K	Block L	Total
Addresses	7-10 Abbey Dr	21-26 Abbey Dr	31-36 Abbey Dr	17-27 Carlisle Wy	31-45 Church La	1-23 Limetree Wk	2-24 Limetree Wk	130-133 Rectory La	1-71 St Ben Cl	73-103 St Ben Cl	105-135 St Ben Cl	18-28 St Ben Cl	
Number of flats	4	6	6	6	8	12	12	4	36	16	16	6	132
Proportion (note 3)	2.923976%	4.385964%	4.385964%	4.385964%	5.847952%	8.771928%	8.771928%	2.923976%	27.485376%	11.695904%	14.035088%	4.385964%	99.999984%
Flats reserve funds by block													
Balance to collect over period	£4,976	£7,464	£7,464	£7,464	£9,952	£14,928	£14,928	£4,976	£46,775	£19,904	£23,885	£7,464	£170,180
Specific block amounts to collect over period (note 4)		£2,000											£2,000
LESS Current block reserves	(£3,422)	(£5,582)	(£5,695)	(£3,563)	(£3,743)	(£9,198)	(£10,752)	(£3,966)	(£26,248)	(£15,647)	(£18,789)	(£5,600)	(£112,205)
<i>Balance to collect over period</i>	£1,554	£3,882	£1,769	£3,901	£6,209	£5,730	£4,176	£1,010	£20,527	£4,257	£5,096	£1,864	£59,975
Flats reserve funds collection by block													
Balance collection per year	£1,554	£3,882	£1,769	£3,901	£6,209	£5,730	£4,176	£1,010	£20,527	£4,257	£5,096	£1,864	£59,975
Air brick grilles to deter pest entry this year (note 8)	(no vents)	£560	£280	(voted against)	(voted against)	(no vents)	(done)	(no vents)	(done)	£840	£840	£420	£2,940
Specific block amounts to collect this year (note 4)													£0
Collection in budget 2019-20	£1,554	£4,442	£2,049	£3,901	£6,209	£5,730	£4,176	£1,010	£20,527	£5,097	£5,936	£2,284	£62,915
Loaned to reserve fund at date of budget (note 2)					Repaid								£0

Apportioned below

- The reserve period has been extended from 4 years to 5 years to spread costs and limit service charges, as decided by owners at the 2014 Annual General Meeting.
- The flats contingency reserve is being collected into the old single flats reserve to allow it easily to be loaned to individual block reserves if required, as authorised by owners at the 2011 Annual General Meeting. **Previous loans have been repaid.**
- The proportions equal those in which blocks contributed to the old flats reserve and match estimated common expenditure. They vary by the numbers of 1-bedroom and 2-bedroom flats in blocks.
- Air brick grilles are listed separately (note 8), roof repairs to 1-71 St Benedicts Close have been allowed for in the estimate of current reserves so are not included here, 21-26 Abbey Drive requires multiple sewer repairs.**
- Communal electrical fittings are becoming life expired and will require replacement and upgrade to latest standards, allowed for by 2025 when LED lamps are likely to need replacement. Most costs will be for flat blocks, but costs for security lighting are for the whole Estate.
- Several flat block roof repairs have been required recently so allowance has been made to inspect all roofs during the periodic work when access is provided, while any repairs are not yet known and would be funded from the contingency reserve and collected in subsequent years.
- Because of other increased costs such as insurance and roof repairs, the Directors decided not to carry out floor sealing this period to keep increases in charges to the minimum possible
- Owners in flat blocks were consulted in January 2019 whether to fit metal grilles to air bricks to deter pest entry at extra cost in 2019-20 so these extra charges are only levied on those blocks that voted for this.**