

NEWHALL PROJECTS LIMITED

**ESTIMATE OF ANNUAL SERVICE CHARGE EXPENDITURE
FOR YEAR ENDING
31 DECEMBER 2021**

Newhall Estate

		Estimated Service Charge 2021	Estimated Service Charge 2020			Notes
Heads of Expenditure						
Number of Commercial Units	6		1			
Number of Retail Units	1		1			
Residential Units	1351	1079	1170		328	
Total	1358					
		Secont Schedule for Split contributions - TV System : Phase I (excl Soper Square), The Edge and Base Residents only		Second Schedule for Split contributions (excludes Barratt properties,)	Third Schedule for Split contributions - TV System (The Edge Residents only)	
Services and Maintenance						
Estate Manager	36,000.00		36,000.00			Intended to recruit personnel during 2021 but leave provision at £36K as 2020
Landscape Maintenance	215,000.00		154,000.00			Based on D Honours projected costs to allow for additional vehicle and operative (X2 days per week). Includes cost of Base Handover areas 1 & 2. 2020 budget underestimated by +/-£6K so overall increase being sought is £20,660 (Base), which is to be expected but then a further £54K for annual uplift and additional operative & van (see attached). Further negotiations are required here.
Children's Play Area, Inspect, Replace, Repair	2,000.00		2,000.00			This covers the required annual inspections and makes a small provision for minor repairs. It is understood that we will need to replace at least one piece of equipment (New Pond Street) but that will be a capital expenditure ie reserve fund item
Drainage for stream, balancing ponds and reed beds to include silt removal	9,200.00		9,200.00			As 2020 provision - it is anticipated that works to reed beds will be required
Street lighting in unadopted roadways and pathways	2,000.00		2,000.00			A nominal provision for street light repairs - as 2020
Maintenance of unadopted roadways and pathways	3,000.00		3,000.00			As 2020 provision

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General Maintenance/Repairs	20,000.00		20,000.00				It is always difficult to forecast how much might be spent on this item. YTD costs are £25K but include £11K spent on new bollards (The Edge). Have left as 2020 for initial draft
Environmental Health Control	1,600.00		1,140.00				A small increase has been made here due to historic issues with vermin, also allows for annual contract
Maintenance of Communal TV & Satellite Distribution Service		10,000.00		3,000.00		4,200.00	Based on Quotation received from Scci for Annual Maintenance Contract (as yet not firmed up/signed)
Web Site Design & Maintenance	500.00		500.00				As 2020 provision
Insurances							
Public Liability Insurance	3,565.00		3,565.00				There is a small uplift here in line with actual renewal premium for 2019/20.
Legal Expenses and D&O Insurance	2,400.00		2,400.00				As 2020 provision
Reserves and Cyclical Repairs							
Reserve Accumulation	61,357.00		61,357.00				As 2020 for draft/discussion purposes.
Sundries							
Printing & Postage	2,150.00		2,150.00				As 2020 provision
Professional Fees							
Health & Safety Risk Assessment Accumulation	1,000.00		1,000.00				As 2020 provision
Management Fee based on £75.00 per dwelling plus VAT	121,590.00		112,320.00				At the same rate as 2020, £80, annual fee based on 1266 units would be £101,280+VAT (£121536). Base completions will be staggered plus we will be employing an Estate Supervisor. Suggest fee could be reduced to £75 which will give an annual fee of £94,950+VAT (£113,940). For discussion purposes, have inserted the latter example.
Accountancy Fees	900.00		900.00				As 2020 provision
Legal Fees Contingency	1,500.00		1,500.00				As 2020 provision
Total Annual Expenditure	£ 483,762.00	£ 10,000.00	£ 413,032.00	£ 3,000.00	£ 4,200.00		
Newhall Projects Contribution	50,000.00		50,000.00				
Total Residents Contribution	£ 433,762.00	£ 10,000.00	£ 363,032.00	£ 3,000.00	£ 4,200.00		

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Annual Contribution per Property	319.41	9.27	310.28	2.85	12.80	This results in an uplift of £26.30 per unit per annum which is excessive. Discussions need to be had around how to keep this to a minimum eg reduction in D Honours annual cost, further reduction to SHW's fee, increase in NHP contribution.
Contribution per month	26.62	0.77	25.86	0.24	1.07	
Contribution per week	6.14	0.18	5.97	0.05	0.25	
Contribution per day	0.88	0.03	0.85	0.01	0.04	

Phase 1 = 578 homes

Phase 2 Land Parcels with Planning permission

Linden Homes - 328

Bellway Homes - 239

Countryside - Base : 206

Commercial units - Base: 5/Phase I: 2

Total based on 1351 homes and 7 commercial for inclusion in 2021 Service Charge Budget