



Service Charge Budget

Rede House

Created by: Xenia Estates

Budget for the Year Ending 31st August 2024 V001

Presented to:

F.D.I Freeholds Ltd

300 St Mary's Road
Garston
Liverpool
L19 0NQ



**XENIA
ESTATES**

Important Note on the Budget

This budget has been prepared as a draft budget based on information supplied by F.D.I Freeholds Ltd and from our previous management experience within our wider portfolio. This budget is therefore subject to change and any variation in expenditure will be consolidated at the end of the financial year.

Actual Service Charge costs can vary from estimated expenditure through the course of a year and demands for payment may be higher than the levels stated in this budget. Liability for the payment of any deficit at the year end rests with the owners under the terms of the Lease. However, Xenia Estates is a pro-active Managing Agent and will endeavour to work within the realms of the budget resulting in any increases to actual expenditure being as minimal as possible.

Soft Services		
1	Communal Cleaning	A provision for the cleaning of the communal areas on a weekly basis.
2	Summer Clean	A provision for the cleaning of the individual student rooms in preparation for the new academic year.
3	Window Cleaning	A provision has been made for the cleaning of the communal and external windows.

Maintenance Costs		
4	External General Maintenance	A provision for repairs and items of maintenance as required from time to time to the exterior of the building. The cost of such items will vary and is therefore inherently difficult to predict.
5	Internal General Maintenance	A provision for repairs and items of maintenance as required from time to time to the communal corridors and internal areas of the building. The cost of such items will vary and is therefore inherently difficult to predict.
6	Door Entry System	A provision has been allocated for the maintenance of the door entry system.
7	Lightening Protection	A provision for the inspection and maintenance of the Lightening Conduction/Protection System - inspected annually.
8	Drain & Gully Clearance	A provision for any works required to communal drains and gullies which may be necessary from time to time.
9	Pest Control	A provision to facilitate any pest control services which may be required onsite on an adhoc basis.
10	Waste Management	Local Authority collect the bins weekly, this provision is for missed collection or additional collections required.
11	CCTV Maintenance	A provision for the maintenance of the CCTV system throughout the development
12	Office and Gym Equipment	A provision for the maintenance and inspections of the communal gym equipment onsite.

Fire Defences		
13	Fire System Maintenance	A provision to cover the costs associated with the regular tests and maintenance of the fire alarm panel. Fire alarm panel to be tested on a weekly basis by a competent person in addition to the statutory regime of bi annual inspections to be carried out by the maintenance service contractor.
14	Automatic Opening Vent	A provision to cover the costs associated with the regular tests and maintenance of the automatic opening vents. To be carried out twice per annum.
15	Dry Riser Maintenance	A provision to cover the costs associated with the regular tests and maintenance of the dry riser system. To be carried out twice per annum.
16	Emergency Lighting	A provision to cover the costs associated with the regular tests and maintenance of the emergency lighting system. To be carried out twice per annum. The statutory monthly tests will be carried out by the cleaners onsite.
17	Fire Extinguishers	A provision to cover the costs associated with the regular tests and maintenance of the fire extinguishers.

Water & Heating		
18	Water Tank/Pump Maintenance	A provision for the regular maintenance of the water tank and pump systems within the building - inspections half yearly.
19	Boiler Maintenance	A provision for the regular maintenance and inspections of the communal boiler for the development - inspected annually.
20	Water Supply Testing	A provision for the regular health and safety testing of the water supply and tanks within the building - inspected annually.

Lifts		
21	Lift Maintenance	A provision to cover the costs of a lift contract, inclusive of all call outs, maintenance and service visits & lift line / GSM system and usage.

Utilities		
22	Communal Electricity	A provision for the supply of electricity to the common areas for the lighting and any other electrical communal assets throughout the development.
23	Voltage Optimisation	A provision to cover the cost of the works required to facilitate voltage optimisation throughout the development with the aim of controlling and reducing the emergency consumption onsite.
24	Communal Gas Supply	A provision for the costs of communal gas usage on site.
25	Water Supply	A provision for the costs of the water usage on site.
26	TV Licensing	A provision for the cost of the TV License for the development.
27	Broadband	A provision for the costs of the broadband available throughout the development.

Health & Safety		
28	Health, Safety & Fire Risk Assessment	A provision for the combined Health, Safety & Fire Risk Assessments to be carried out annually. This is also inclusive of a provision to cover the cost of Reinstatement Cost Assessment - a survey to assess the rebuild cost of the development to ensure the appropriate level of insurance is placed. To be carried out every 3 years.

29	External Wall Survey 1 Form (EWS1)	A provision to cover the cost of an EWS1 form, also known as an "EWS1 certificate" or "EWS1 report". This is a certificate provided by a suitably qualified person to confirm the external wall system (EWS) of a residential building has been assessed for its fire resistance. The external wall system comprises the outside wall of a residential building and includes the cladding, insulation, fire-stops and fire barriers as well as attachments such as balconies. The EWS1 form provides the owner of a property with a way to assure a purchaser or mortgage provider that the fire resistance of an external wall system of a residential building has been assessed by a suitably qualified person.
30	Fire Risk Appraisal of External Wall (FRAEW)	A provision to cover the cost for a Fire Risk Appraisal of External Walls (FRAEW) to be conducted - a comprehensive assessment process designed to evaluate the fire safety performance of external walls in buildings. It thoroughly examines various components, including insulation, cladding systems, and façades, to identify potential fire hazards and vulnerabilities. FRAEW follows the guidelines outlined in standards such as
31	Fire Strategy	A provision to cover the cost of a Fire Strategy of the building, specifically tailored to the development, reviewing all aspects of the building's fire safety features including construction, compartmentation strategy, means of escape and other fire safety features/measures.
32	Compartmentation Survey	The cost to facilitate a Compartmentation Survey for the development - an intrusive survey which involves investigative works within roof spaces, ceiling and floor voids, as well as within service risers, behind boxings etc. The objective is to assess whether the existing fire compartment walls (including doors within them), floors and ceilings within the property are likely to restrict the potential spread of fire and smoke for the
33	Building Safety Regulator Registration	As per the Building Safety Act, high rise buildings of over 18 meters / 7 stories high are required to be part of an online register, to document the core aspects of the building in relation to its fire safety. This provision covers the cost of such registration.
34	Fire Door Inspections	A provision to cover the costs to facilitate fire door inspections - communal doors to be inspected / sampled on a quarterly basis, apartment doors to be tested annually.
35	5 Year Electrical Safety Testing	The provision for 5 year statutory electrical testing for the communal areas - to be accrued for and collected year on year.
36	PAT Testing	The provision to allow for PAT Testing for any electrical items within the individual rooms & communal areas.
37	Gas Safety Certificate	A provision for a Gas Safety Certificate to be carried out annually.

Insurance

38	Buildings Insurance	A provision to cover the costs of buildings and property owners liability insurance for the development including Terrorism Insurance. This is arranged by a broker to ensure that the best possible premiums are achieved with insured values being based on values obtained from a Reinstatement Cost Assessment.
39	Engineering Insurance	A provision to cover the costs of the Engineering insurance for the Lift.
40	Student Contents Insurance	A provision to cover the costs of contents insurance in relation to contents within the individual apartments (student demised areas).

Management & Administration

41	Management Fees	Fee for the provision of services provided by Xenia Estates in accordance with the Management Contract and Service Level Agreement.
42	Accountancy Audit / Certification	A provision for the costs of external independent certification of the Service Charge Accounts.
43	Compliance & Risk Management	Fee for the management of the overall compliance and health & safety risk of the development including any requirements as per the new Building Safety Act regulations.
44	Out of Hours	Fee associated with the provision of an Out of Hours emergency contact number for residents, provided by a Third Party with access to Xenia Estates information. This service is available to residents and contractors 24 hours a day, 7 days a week which allows emergencies to be dealt with as efficiently as possible.

Staff Costs

45	Site Staff Salaries	A provision for the costs associated with employment of staff on site.
46	Off Site Concierge	A provision for the off-site concierge service inclusive of monitoring the CCTV.
47	Shared Office Costs	A provision for the costs associated with any office costs.

Contribution to Reserves

48	Reserve Fund	The allowance for a sum to be set aside for the future items of major expenditure inclusive of works required to any assets onsite, any redecoration or improvements or any unforeseen expenditure. This figure is estimated and not based on precise life-time costings. The reserve fund may also be used for cashflow purposes which may arise in the event of arrears and to also ensure any unbudgeted costs can continue to be funded when necessary.
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Notes	Residential S/Charge (£)	Building S/Charge (£)	New Budget Total	Previous Budget Cost	Variance (£)	Variance (%)	
Soft Services							
Communal Cleaning	1	£14,513.00	£0.00	£14,513.00	£13,230.00	£1,283.00	9.70%
Summer Clean	2	£15,600.00	£0.00	£15,600.00	£13,200.00	£2,400.00	18.18%
Window Cleaning	3	£0.00	£2,200.00	£2,200.00	£2,040.00	£160.00	7.84%
		£30,113.00	£2,200.00	£32,313.00	£28,470.00	£3,843.00	13.50%
Maintenance Costs							
External General Maintenance	4	£10,000.00	£0.00	£10,000.00	£12,600.00	£-2,600.00	-20.63%
Internal General Maintenance	5	£8,500.00	£0.00	£8,500.00	£7,350.00	£1,150.00	15.65%
Door Entry System	6	£2,000.00	£0.00	£2,000.00	£2,000.00	£0.00	0.00%
Lightning Protection	7	£0.00	£250.00	£250.00	£235.00	£15.00	6.38%
Drain & Gully Clearance	8	£1,000.00	£0.00	£1,000.00	£0.00	£1,000.00	-
Pest Control	9	£400.00	£0.00	£400.00	£400.00	£0.00	0.00%
Waste Management	10	£600.00	£0.00	£600.00	£420.00	£180.00	42.86%
CCTV Maintenance	11	£1,400.00	£0.00	£1,400.00	£751.00	£649.00	86.42%
Office and Gym Equipment	12	£1,000.00	£0.00	£1,000.00	£1,400.00	£-400.00	-28.57%
		£24,900.00	£250.00	£25,150.00	£25,156.00	£-6.00	-0.02%
Fire Defences							
Fire System Maintenance	13	£0.00	£2,310.00	£2,310.00	£2,100.00	£210.00	10.00%
Automatic Opening Vent	14	£246.00	£0.00	£246.00	£224.00	£22.00	9.82%
Dry Riser Maintenance	15	£924.00	£0.00	£924.00	£840.00	£84.00	10.00%
Emergency Lighting	16	£660.00	£0.00	£660.00	£600.00	£60.00	10.00%
Fire Extinguishers	17	£0.00	£0.00	£0.00	£510.00	£-510.00	-100.00%
		£1,830.00	£2,310.00	£4,140.00	£4,274.00	£-134.00	-3.14%
Water / Heating							
Water Tank/Pump Maintenance	18	£1,000.00	£0.00	£1,000.00	£0.00	£1,000.00	-
Boiler Maintenance	19	£1,320.00	£0.00	£1,320.00	£1,200.00	£120.00	10.00%
Water Supply Testing	20	£2,134.00	£0.00	£2,134.00	£2,134.00	£0.00	0.00%
		£4,454.00	£0.00	£4,454.00	£3,334.00	£1,120.00	33.59%

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Notes	Residential S/Charge (£)	Building S/Charge (£)	New Budget Total	Previous Budget Cost	Variance (£)	Variance (%)	
Lifts							
Lift Maintenance	21	£2,761.00	£0.00	£2,761.00	£2,510.00	£251.00	10.00%
		£2,761.00	£0.00	£2,761.00	£2,510.00	£251.00	10.00%
Utilities							
Communal Electricity	22	£100,458.00	£0.00	£100,458.00	£99,576.00	£882.00	0.89%
Voltage Optimisation	23	£14,486.00	£0.00	£14,486.00	£0.00	£14,486.00	-
Communal Gas Supply	24	£95,848.00	£0.00	£95,848.00	£195,680.00	-£99,832.00	-51.02%
Water Supply	25	£0.00	£26,400.00	£26,400.00	£24,000.00	£2,400.00	10.00%
TV Licensing	26	£2,743.00	£0.00	£2,743.00	£2,472.00	£271.00	10.96%
Broadband	27	£38,880.00	£0.00	£38,880.00	£38,880.00	£0.00	0.00%
		£252,415.00	£26,400.00	£278,815.00	£360,608.00	-£81,793.00	-22.68%
Health & Safety							
Health, Safety & Fire Risk Assessment	28	£4,200.00	£0.00	£4,200.00	£5,066.00	-£866.00	-17.09%
External Wall Survey 1 Form (EWS1)	29	£354.00	£0.00	£354.00	£0.00	£354.00	-
Fire Risk Appraisal of External Wall (FRAEW)	30	£40,710.00	£0.00	£40,710.00	£0.00	£40,710.00	-
Fire Strategy	31	£10,692.00	£0.00	£10,692.00	£0.00	£10,692.00	-
Compartmentation Survey	32	£14,154.00	£0.00	£14,154.00	£0.00	£14,154.00	-
Building Safety Regulator Registration	33	£251.00	£0.00	£251.00	£0.00	£251.00	-
Fire Door Inspections	34	£4,308.00	£0.00	£4,308.00	£0.00	£4,308.00	-
5 Year Electrical Safety Testing	35	£3,600.00	£0.00	£3,600.00	£0.00	£3,600.00	-
PAT Testing	36	£1,200.00	£0.00	£1,200.00	£1,200.00	£0.00	0.00%
Gas Safety Certificate	37	£500.00	£0.00	£500.00	£488.00	£12.00	2.46%
		£79,969.00	£0.00	£79,969.00	£6,754.00	£73,215.00	1084.02%

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	Notes	Residential S/Charge (£)	Building S/Charge (£)	New Budget Total	Previous Budget Cost	Variance (£)	Variance (%)
Insurance							
Buildings Insurance	38	£0.00	£35,915.00	£35,915.00	£31,924.00	£3,991.00	12.50%
Engineering Insurance	39	£1,817.00	£0.00	£1,817.00	£1,615.00	£202.00	12.51%
Student Contents Insurance	40	£2,177.00	£0.00	£2,177.00	£1,935.00	£242.00	12.51%
		£3,994.00	£35,915.00	£39,909.00	£35,474.00	£4,435.00	12.50%
Management & Administration							
Management Fees	41	£75,572.00	£5,385.00	£80,957.00	£74,477.00	£6,480.00	8.70%
Accountancy Audit / Certification	42	£1,616.00	£0.00	£1,616.00	£1,487.00	£129.00	8.68%
Compliance & Risk Management	43	£4,800.00	£0.00	£4,800.00	£0.00	£4,800.00	-
Out of Hours	44	£6,912.00	£0.00	£6,912.00	£7,258.00	-£346.00	-4.77%
		£88,900.00	£5,385.00	£94,285.00	£83,222.00	£11,063.00	13.29%
Staff Costs							
Site Staff Salaries	45	£70,148.00	£0.00	£70,148.00	£63,945.00	£6,203.00	9.70%
Off Site Concierge	46	£8,100.00	£0.00	£8,100.00	£8,100.00	£0.00	0.00%
Shared Office Costs	47	£1,000.00	£0.00	£1,000.00	£1,000.00	£0.00	0.00%
		£79,248.00	£0.00	£79,248.00	£73,045.00	£6,203.00	8.49%
Contribution to Reserves							
Reserve Fund	48	£10,000.00	£6,606.00	£16,606.00	£16,606.00	£0.00	0.00%
		£10,000.00	£6,606.00	£16,606.00	£16,606.00	£0.00	0.00%
Total Cost		£578,584.00	£79,066.00	£657,650.00	£639,453.00	£18,197.00	2.85%

See Budget Matrix for details of how the service charges are apportioned.

Please note that the 'Important Notes on the Budget' form part of this budget pack and should be read in conjunction with the other statements in this budget pack. This budget may be subject to change and all costs are inclusive of VAT where appropriate.

	Residential S/Charge (£)	Previous Budget Costs
Number of Properties	240	£

Notes

Soft Services			
Communal Cleaning	1	£14,513.00	£13,230.00
Summer Clean	2	£15,600.00	£13,200.00
	Sub-total	£30,113.00	£26,430.00

Maintenance Costs			
External General Maintenance	4	£10,000.00	£12,600.00
Internal General Maintenance	5	£8,500.00	£7,350.00
Door Entry System	6	£2,000.00	£2,000.00
Drain & Gully Clearance	8	£1,000.00	£0.00
Pest Control	9	£400.00	£400.00
Waste Management	10	£600.00	£420.00
CCTV Maintenance	11	£1,400.00	£751.00
Office and Gym Equipment	12	£1,000.00	£1,400.00
	Sub-total	£24,900.00	£24,921.00

Fire Defences			
Automatic Opening Vent	14	£246.00	£224.00
Dry Riser Maintenance	15	£924.00	£840.00
Emergency Lighting	16	£660.00	£600.00
Fire Extinguishers	17	£0.00	£510.00
	Sub-total	£1,830.00	£2,174.00

Water / Heating			
Water Tank/Pump Maintenance	18	£1,000.00	£0.00
Boiler Maintenance	19	£1,320.00	£1,200.00
Water Supply Testing	20	£2,134.00	£2,134.00
	Sub-total	£4,454.00	£3,334.00

Lifts			
Lift Maintenance	21	£2,761.00	£2,510.00
	Sub-total	£2,761.00	£2,510.00

Utilities			
Communal Electricity	22	£100,458.00	£99,576.00
Voltage Optimisation	23	£14,486.00	£0.00
Communal Gas Supply	24	£95,848.00	£195,680.00
TV Licensing	26	£2,743.00	£2,472.00
Broadband	27	£38,880.00	£38,880.00
	Sub-total	£252,415.00	£336,608.00

Health & Safety			
Health, Safety & Fire Risk Assessment	28	£4,200.00	£5,066.00
External Wall Survey 1 Form (EWS1)	29	£354.00	£0.00
Fire Risk Appraisal of External Wall (FRAEW)	30	£40,710.00	£0.00
Fire Strategy	31	£10,692.00	£0.00
Compartmentation Survey	32	£14,154.00	£0.00
Building Safety Regulator Registration	33	£251.00	£0.00
Fire Door Inspections	34	£4,308.00	£0.00
5 Year Electrical Safety Testing	35	£3,600.00	£0.00
PAT Testing	36	£1,200.00	£1,200.00
Gas Safety Certificate	37	£500.00	£488.00
	Sub-total	£79,969.00	£6,754.00

Insurance			
Engineering Insurance	39	£1,817.00	£1,615.00
Student Contents Insurance	40	£2,177.00	£1,935.00
	Sub-total	£3,994.00	£3,550.00

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	Residential S/Charge (£)	Previous Budget Costs
Number of Properties	240	£

Notes

Management & Administration			
Management Fees	41	£75,572.00	£69,523.00
Accountancy Audit / Certification	42	£1,616.00	£1,487.00
Compliance & Risk Management	43	£4,800.00	£0.00
Out of Hours	44	£6,912.00	£7,258.00
	Sub-total	£88,900.00	£78,268.00
Staff Costs			
Site Staff Salaries	45	£70,148.00	£63,945.00
Off Site Concierge	46	£8,100.00	£8,100.00
Shared Office Costs	47	£1,000.00	£1,000.00
	Sub-total	£79,248.00	£73,045.00
Contribution to Reserves			
Reserve Fund	48	£10,000.00	£10,000.00
	Sub-total	£10,000.00	£10,000.00
Total Cost		£578,584.00	£567,594.00

See Budget Matrix for details of how the service charges are apportioned.

Please note that the 'Important Notes on the Budget' form part of this budget pack and should be read in conjunction with the other statements in this budget pack. This budget may be subject to change and all costs are inclusive of VAT where appropriate.

	Building S/Charge (£)	Previous Budget Costs
Number of Properties	243	

Notes

Soft Services			
Window Cleaning	3	£2,200.00	£2,040.00
Sub-total		£2,200.00	£2,040.00
Maintenance Costs			
Lightning Protection	7	£250.00	£235.00
Sub-total		£250.00	£235.00
Fire Defences			
Fire System Maintenance	13	£2,310.00	£2,100.00
Sub-total		£2,310.00	£2,100.00
Utilities			
Water Supply	25	£26,400.00	£24,000.00
Sub-total		£26,400.00	£24,000.00
Insurance			
Buildings Insurance	38	£35,915.00	£31,924.00
Sub-total		£35,915.00	£31,924.00
Management & Administration			
Management Fees	41	£5,385.00	£4,954.00
Sub-total		£5,385.00	£4,954.00
Contribution to Reserves			
Reserve Fund	48	£6,606.00	£6,606.00
Sub-total		£6,606.00	£6,606.00
Total Cost		£79,066.00	£71,859.00

See Budget Matrix for details of how the service charges are apportioned.

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