

LINDEN HOMES SOUTH – WOODCROFT LANE, WATERLOOVILLE
Budget Analysis Explanatory Note

The attached draft analysis has been prepared from:

Plans

- Omega Partnership – Coloured Site Layout (C-1011) Revision N
- Omega Partnership – Site Layout (A-1005) Revision C
- Omega Partnership – Phasing Plan (C-1007) Revision B
- ACD Environmental – Landscape Proposals Phase 1A (1 of 3) (LIN21652-11)
- ACD Environmental – Landscape Proposals Phase 1A (2 of 3) (LIN21652-11)
- ACD Environmental – Landscape Proposals Phase 1A (3 of 3) (LIN21652-11)

The budget has been calculated based on the details provided and the costs have been allocated on a 1/161th basis towards Estate related costs, as well as a 1/12th basis towards the cost related to the apartment block (Plots 254-265) and 1/4th basis towards the apartment block (Plots 119-122); this includes cleaning and window cleaning in the internal and external communal areas of the flats, including the bin and cycle stores with grounds maintenance to the apartment grounds and gardening to the landscaped areas of communal public open space.

Contract Maintenance

The following budgeted provisions show the anticipated cost of employing maintenance contractors, for general maintenance work. It should be noted this is a basic indicative specification, based on plans provided to us. For all aspects of contractor's work to be completed it is assumed that all plots will be legally completed, and all areas are capable of being maintained.

Cleaning: This is an allowance for cleaning services to be provided to the internal communal areas of the private apartment block on a fortnightly basis. The specification includes;

- Pick up litter, circulars and leaflets and dispose of same
- Thoroughly sweep all internal hard flat surfaces to include lifting and sweeping under mats
- Wash and mop all internal hard flat surfaces, including stair treads.
- Wash all internal handrails, balustrades, skirting and ledges
- Wipe all sockets, switches, communal entry systems, letterboxes and door frames
- Spot clean walls and wash paintwork as necessary
- Wash all communal entrance doors, including internal and external glass
- Polish brass or other highly polished metal surfaces with suitable polish
- Clean all mirrored surfaces
- Empty any internal bins
- Bin store sweeping and tidying
- Bike store sweeping and tidying
- Report any maintenance issues to head office in the first instance

Grounds Maintenance to Landscaped Areas of Communal POS, as well as Hard Landscaping of the Shared Access Roads and Surfaces: An allowance for the cost of 20 visits per year; fortnightly in the summer and monthly in the winter. The specification includes;

- Maintain managed areas in accordance with best horticultural practices
- 15 grass cuts minimum
- Litter and loose-leaf removal
- Weed removal
- Shrub maintenance
- Annual arborist inspection if applicable
- Annual hedgerow maintenance
- **SWALE:** Inspection and maintenance to the swale area. Ensure all inlets and outlets for drainage are clear and any build-up of debris is removed for optimal operation.
- Report any maintenance issues to head office

Window Cleaning: An allowance for the cost of quarterly window cleaning to be carried out to the external and internal communal windows of the apartment block only. It should be noted that due to current Health & Safety legislation, together with the Working at Heights Regulations 2005, this has slightly increased the costs of this service, which is dependent upon the method statement for window cleaning provided.

ROSPA Inspection: An annual inspection of the play area will be carried out by ROSPA, with a report sent to Gateway to deal with any maintenance issues highlighted.

Utilities

Electricity/Water: An initial provision in respect of electricity and water costs coming from the internal and external lighting and water provisions within the communal management areas.

General Provisions

Repairs & Renewals: An allowance for the cost of any minor repairs to the areas under management jurisdiction.

Door Entry/Video System: A provision in respect of the communal apparatus on site. This provision incorporates any ad hoc expenditure and callouts which may be required for the communal TV aerial/satellite and the door entry system.

GPM24: The provision for out of hours emergency service should there be any maintenance requirements urgently needed out of the usual office hours.

Statutory Risk Assessments

Health & Safety Inspection: An allowance in respect of a Health & Safety Risk Assessment to the management areas. This will be undertaken on a yearly basis.

Fire Detection/Protection Systems and Emergency Lighting: A provision in respect of putting in place a maintenance contract for the annual testing and inspection of the fire alarm/smoke ventilation systems within the communal apartment areas.

Professional Fees

Management Fees: These are Gateway Property Management's fees including VAT. The fee is a fixed fee for the year based on the number of units on the development and the services to be provided.

Company Administration/Accountancy/Bank Charges/Accounts/Filing: These are the Auditors/Accountants costs in preparing the annual accounts, filing the annual returns and dealing with the Management Company's tax affairs as well as any administration required on behalf of the Management Company.

Postage: A contingency for any postage costs relating to the administration of the management company.

Insurance

Block Buildings Insurance: The anticipated cost of the premium including insurance premium tax and based on 12% IPT. This level of premium relates to the insurance being placed through Gateway. It also assumes residents' private occupation of the building (not the building process) and also assumes conventional brick/block cavity walls, concrete floors and stairs.

Public Liability Insurance: The anticipated cost of the premium representing the areas covered under the Management Company responsibility. This policy protects against third party injury or damage on the development.

Directors & Officers Insurance: The provision shown for Directors and Officers insurance reflects the costs of the premium where residents are Directors of the Management Company. Under these circumstances, cover will be automatically put in place when the current Insurance Policy is up for renewal.

Reserves

Estate / Apartment Maintenance: It is important that a reserve fund be built up over a period of years for short- and long-term major works. An initial provision has therefore been made in this regard. The residents will, however, have an opportunity of setting their own level of reserve fund, as and when they control the affairs of their own development. At that time, the residents can choose the level of reserve, together with the timetable of the major works to be undertaken.

This budget is based on the information provided by you. Unless caused by the Agent's negligence in the provision of the Services Gateway is not liable either in contract or in tort for any loss, injury, damage or legal or other expenses sustained as a result of:

- A) The Agent having reasonably relied upon the Client to provide accurately all relevant information;*
- B) Any defect in the Property or plant, machinery, equipment, or materials used for or in the Property;*
- C) Any variances in forecast by the Agent of future income and expenditure; and*
- D) The acts, omission or insolvency of any person other than the Agent*

The Agent's liability to make payments on the Client's behalf shall be limited at all times to the amount of funds belonging to the Client at the Agent's disposal after deduction of the Agent's remuneration.