

**ANTICIPATED SERVICE CHARGE BUDGET FOR
HUGHENDEN COURT
ON BEHALF OF HUGHENDEN COURT (HASTINGS) RTM CO LTD
FOR THE PERIOD 31 January 2026 TO 30 JANUARY 2027**

Payments are due annually on 24 March 2024 for the period 31 January 2026 to 30 January 2027



EXPENDITURE HEADING	BUDGET FOR 31 JAN 2025 - 30 JAN 2026 £	Anticipated Expenditure from 30 Jan 25 - 29 Jan 26 £	BUDGET FOR 31 JAN 2026 - 30 JAN 2027 £	NOTES OF EXPLANATION
General Expenses				
Cleaning	5,100	4,600	5,000	This is the cost of your cleaning contractor
Bin Cleaning	360	360	360	This is the cost of cleaning the bins once every 8 weeks. T
Communal Electricity	9,500	7,600	7,750	The electricity contract has been tendered and this is the best rate achievable on the day for a 12 month period. The anticipated cost is less as the rate has dropped
Water rates	18,000	41,500	43,000	This is the average cost of communal water to the building
Interphone Contract & Repairs	1,034	1,069	1,070	This is the cost of the annual door entry contract
Security CCTV costs	150	540	540	This is the cost of maintaining your CCTV system
Caretaking Duties	2,000	1,400	1,500	This is the cost of the adhoc caretaking duties carried out around the building during the course of the year. These include odd jobs around the building including clearing of the waste Shutes when they block
General Repairs	5,000	13,750	15,000	Our budget for general repairs has been set at this figure based on the ad hoc remedial items undertaken in the past 12 months. This can vary from year to year with essential works required.
Lifts				
Lift Maintenance	2,500	0	2,500	The lift has a fully comprehensive contract but there are some parts that are not covered. This is a budget cost for repairs that fall outside of the contract
Lift Service Agreement	1,200	1,245	1,250	This is the cost of your annual service from your service provider
Health & Safety				
Asbestos Survey	354	0	354	This is a budget cost of undertaking an asbesto9s survey which is a legal requirement under the Health & Safety at Work Act 1974.

Lightening Protection	150	132	150	The building is fitted with a lightening conductor and so must be tested every 13 months to comply with legislation. Hence the reason for no costs in 2024. It is due to be tested early 2025
Fire / General Risk Assessment	810	810	864	It is a legal requirement to hold a valid and up to date Fire Risk & General Risk assessment. This is the cost for your formal review again once the remediation has taken place
Fire Door Survey	1,914	1,320	714	After the upgrade works have concluded, a new survey will be undertaken of all doors, this includes both sides of your flat front door. This survey has to take place annually from here on in and any repairs or adjustments down to the leaseholder to rectify without delay.
Quarterly Common Part door inspection	864	648	864	Once all the doors are compliant, due to changes in legislation it is now a legal requirement under the Fire Safety Act 2021 to undertake a survey of all common part doors quarterly as your building is over 11m tall
ECIR	0	0	0	The Electrical Safety test on the communal electrics is due every 5 years. This is the cost of carrying out the assessment which is due 2028
Dry Riser Test	290	282	290	This is a legal requirement to have tested twice a year. The costs incurred were to fix the defective valves and locks to ensure they are working correctly.
Legionella water Hygiene test	156	202	205	It is a legal requiring to have the water tanks tested annually for legionella and any recommendations carried out
Emergency Lighting repairs	0	0	4,000	The emergency lighting has failed and needs to be upgraded, this is the likely cost to resolve this compliance matter
Emergency Lighting monthly testing and annual service	360	360	360	It is a legal requirement to have all emergency lighting in full working order, tested monthly and an annual drain down, service and certification by a qualified person. This is the cost for monthly and annual service and certification
Insurance				
Buildings Insurance	23,000	18,085	19,000	Buildings insurance is provided. As you will be aware cover was withdrawn in 2023 but we were able to secure insurance with a new provider. The cost was significantly increased to take on board the risks the building present. Until all the remedial work is complete and the buildings reputation in the insurance industry is restored cover is likely to be high.
Reinstatement Cost Assessments	0	0	0	Once every 3 years your building should be valued by a Chartered Building Surveyor to assess the rebuild value of the building. These costs are presented to the insurance company to ensure your Declared Value is correct. If your building is under insured and you were to make a claim, the insurer will no settle the claim in full, leaving the management company to meet the short fall. In order to meet the obligations of the lease will undertake this exercise when it falls due in 2027-2028

D&O Insurance	210	210	210	This is the cost for the officers of the building to protect them personally against any claims that may be made against the management company. The policy renews in October so the whole cost will need to be collected to pay the supplier
Engineering Insurance	680	590	590	Under the Health & Safety at Work etc Act 1974, it is a legal requirement to take out engineering insurance on all plant and machinery installed. Your building has a lift and for this reason the it needs to be inspected every 6 months by an independent engineering inspector who will deem the lift fit for service. The insurance is not to cover repairs and breakdowns, its a statutory requirement for safety reasons
Professional Fees				
Accountants fee	720	3,600	1,200	Your accountants fee for preparing and filing the company and service charge accounts
Confirmation Statement	50	50	65	This is the cost of filing the annual confirmation statement to Companies House. Companies House have increased their charges from 1 Jan
Management Fees	10,998	10,998	11,438	Our fees for managing the building was fixed when we accepted the instruction until January 2026. Fees will increase annually in line with our management agreement
Bank Administration Charges	564	564	564	This is an annual charge for opening holding and administering both bank accounts as well as the fee levied to us by NatWest
Company Secretary Fees	390	390	432	This is the cost of managing your Company Compliance and ensuring all accounts, annual returns and share register is kept up to date in accordance with Companies Act
Disbursements	100	920	500	This is a nominal sum to cover the cost of postage where we are unable to issue correspondence to you by email. Letters concerning budgets, accounts and AGM's are covered in our management fee. It also covers the website hosting and out of hours fee
Corporation Tax		572		Hughenden Court is required to pay tax on the interest earned from the funds held in the bank
Legal Fees	3,000	5,326	6,000	It is a recommendation that a small allowance is included for legal advice from a lawyer. This is the allowance made for advice
Total for basic Service charge contributions	£89,454	£117,123	£125,770	There is an increase in the general day to day spending which needs to be reflected in the budget costs
Major Works costs				
Planned Maintenance / Major Works				
Professional Fees (Surveyors) for the South & West Elevation inc balconies & roofs	12,000	18,306	13,000	We collected a sum of money in 2024 for surveyors fees for the south elevation. This will be retained in the account to be offset against the fee that will be payable in 2025-26. As the scope of works has altered and the costs increased, their fee is based on a percentage of the overall contract sum. It will be necessary to collect further sums to meet these costs

Professional Fees (Surveyors) for the fire door and compartmentation work	7,295	16,440	0	We collected a sum of money in 2024 for surveyors fees for the fire doors and compartmentation work. This will be retained in the account to be offset against the fee that will be payable in 2025-26. As the contract sum was far higher than anticipated, more funds are required to settle the surveyors fees
Communal Fire Door remediation & Compartmentation costs - budget figure	83,320	134,548	0	The budget estimate in 2024-2025 pre-dated the tenders being obtained. As there was a shortfall in funds collected for this work we will need to collect the shortfall to settle the invoice
Retention for Fire upgrade work	0	0	3,600	The retention is due to be released in early spring
External Repairs to South & West elevation inc Balconies & roofs	112,161	112,161	35,000	In 2024-2025 we estimated the work to the front elevation (South) would be in the region of £180,000. Due to significant water ingress being reported on the west elevation, it was agreed to change the scope of works. We have been provided with a budget cost for this work and need to collect the additional amounts before work can begin
Internal redecoration project			6,000	The RTM would like to undertake the internal redecoration of the entrance foyer
Canopy - refurbishment of canopy			10,200	The entrance canopy requires urgent attention - this is the budget cost for the work
Professional fees for internal project and canopy			1,000	Professional fees for specification, tendering and overseeing the work, including the Section 20 notices
Section 20 Administration Fees - external works	7,304	3,604	7,800	These are the fees we will charge for administering a Section 20 Consultation on works which are over the sum of £250 per flat inc VAT. Our fees are charged at 2.5% of the contract sum + VAT with a min fee of £500 + VAT
Sub Total	£222,080	£285,059	£76,600	This is the total cost of major works and professional fees
TOTAL	£311,534	£402,182	£202,370	THIS IS THE TOTAL SUM DUE FOR 2026-2027