

**CHATHAM MARITIME ESTATE LTD.**  
**SOUTH MARITIME ESTATE**  
**2010/11 SERVICE CHARGE BUDGET**

		<b>2010/11 Budget</b>	<b>2010/11 Variance</b>	<b>2009/10 Budget</b>	<b>2008/09 Actual</b>	<b>Scope</b>
	<u>Notes</u>	£	£	£	£	
Landscape maintenance (Roadsides)	1	53,000	+2,116	50,884	78,906	Maintenance of roadside landscaping and trees plus litter clearance - Maritime Way plus Estate Roads
Street furniture	2	7,000	0	7,000	6,753	Maintenance, painting, replacement of bollards, seating, bins etc – Maritime Way plus Estate Roads
Road cleansing	3	9,278	-272	9,550	4,722	Sweeping, cleaning, gritting, snow clearance, and gully cleansing of estate (non-adopted) roads
Road & path maintenance	4	18,400	-100	18,500	14,206	Maintenance, repair, markings of roads, pathways, cycleways for Estate Roads plus Maritime Way paths & cycleways
Street lighting	5	6,660	+180	6,480	3,944	Maintenance, bulbs & electricity to street lights – Estate Roads
Water safety	6	4,300	-200	4,500	2,859	Basin-side fencing, safety chains, lifebuoys, throw lines etc
Features & Monuments	7	1,800	-950	2,750	3,315	Maintenance and cleaning: Pembroke Gate and Dock Square
General maintenance	8	15,000	-5,000	20,000	9,631	Signage, pest control, health & safety and sundry minor maintenance
Professional fees	9	4,000	-2,000	6,000	}11,888	Legal / engineering / project management fees associated with management & maintenance
Communication & Misc	10	2,700	+1,200	1,500		Part-costs of newsletter and website, plus operating costs of South Maritime Residents Ltd
Infrastructure insurance	11	9,349	-338	9,687	9,451	Reinstatement insurance for common parts, plus Public Liability
Security	12	176,052	-1,441	177,493	152,755	Guarding contract, security gatehouse, CCTV, security vehicle plus PCSO contract
Management costs	13	64,643	+6,039	58,604	58,503	Estate management staff salaries and employment on-costs plus recruitment, training, expenses etc

		2010/11 Budget	2010/11 Variance	2009/10 Budget	2008/09 Actual	Description
	<u>Notes</u>	£	£	£	£	
Premises & vehicle	14	21,551	-1,519	23,070	25,415	Estate Office occupational costs, plus furniture, equipment, stationery & consumables. Estate vehicle.
Corporate expenses	15	6,916	+490	6,426	5,405	Running costs of estate management company: audit, accountancy, insurances, bank charges, legal advice
<b>Total</b>		<b>400,648</b>	<b>-1,796</b>	<b>402,444</b>	<b>387,753</b>	

“Estate Roads” are non-public highway roads within the Trust’s ownership: Central Avenue, North Road, Quayside & Brunel. Expected to be augmented by Walter Burke Way and Dock Head Road when these are transferred by SEEDA.

The Trust maintains the non-road elements of Maritime Way (verges, pathways, cycleways, landscaping) under a s.278 Agreement with Medway Council. This Agreement is subject to renewal in 2011. If renewed, the Trust may undertake similar liabilities in respect of Leviathan Way / Western Avenue.

The budget is 2% lower than the consultative budget circulated in January.

Two of the three largest expenditure contracts: security and minor works have been retendered. Landscaping will be tendered this year. We have made assumptions about the likely level of tender in the current climate.

### Commentary

1) Landscape maintenance

The increase arises from additional Estate roadways (North Road Extension) coming into management.

2) Street furniture

£2.5K provided for rolling programme of basin edge seat repairs. Seats being repaired rather than replaced to reduce cost.

3) Road cleansing

Actual spend heavily dependent on winter weather conditions.

- 4) Road and path maintenance  
Routine maintenance only – no significant repairs programmed
- 5) Street lighting  
Includes provision for replacement of a small number of defective street lanterns
- 6) Water safety  
Routine maintenance + lifebelt replacements only
- 7) Features and Monuments  
No exceptional maintenance items scheduled
- 8) General maintenance  
2009/10 included £5K provision to cover contract retendering costs
- 9) Professional Fees  
No exceptional items in year
- 10) Communication & Misc  
Includes provision for legal fees to amend South Maritime Residents Ltd. Memorandum and Articles of Association.
- 11) Infrastructure Insurance  
Reduction achieved by self-insuring some minor items
- 12) Security  
Budget includes for new provision of a daytime supervisor on top of two guards 24/7 presence which has been unchanged since 1997. This reflects increasing occupier and visitor activity and consequent security demands.
- 13) Management costs  
Reflects addition of part time accountancy staff.

- 14) Premises and vehicles  
No exceptional items in year
- 15) Corporate Expenses  
No exceptional items in year

### Contact Details

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### Billing

We would appreciate your prompt settlement of the bill for the first half-year charge, which falls due for payment on 1<sup>st</sup> April. Where appropriate under the terms of an individual lease, interest may be charged on late payment.

The second half-year payment will fall due on 1<sup>st</sup> October, by which time we will have closed the 2009/2010 accounts and any credit or surcharge will be shown with the October figure.

Chatham Maritime Estate Ltd is a wholly owned subsidiary of Chatham Maritime Trust

**John Grimes**  
**Estate Manager**