

Confusion still reigns over service charges, reveals report

COMMERCIAL SERVICE CHARGES ARE still in dire need of regulation, says the author of a damning report.

John Calvert of Loughborough University Business School was due this week to tell the Investment Property Databank Conference in Brighton that nine months after he savaged the way service charges were levied on office occupiers in a much-publicised report, nothing had changed.

'The message I have got is that occupiers are still not sure what they are paying for, and if they are paying too much,' said Calvert. 'There has been no tangible movement with regards to regulation of the service charge industry. The RICS has got to do something about this.'

Calvert has updated his original

research carried out on 161 buildings representing 15.5m sq ft (1.44m sq m) of office space. He claimed the complaints of occupiers were eerily familiar.

'Occupiers are still in the dark because there is so little transparency in how the managing agents calculate the bills,' he said.

The research is sponsored by Property Solutions.

Calvert's comments come as Kingsley Lipson Morgan launches a benchmarking service that allows managing agents to compare their performances in customer service.

CB Richard Ellis, DTZ and Jones Lang LaSalle are among 14 managing agents that have signed up to Real Service, under which they are ranked on best practice criteria.



Defence Estates has awarded a seven-year £550m works and property maintenance contract to Carillion Enterprise for its West Midlands, Yorkshire and Humber, north-east and north-west England and Wales portfolio, which includes RAF Cosford (above).