



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL
PROPERTY)**

Case Reference : **LON/00AN/LSC/2020/0060**
CVP:REMOTE

Property : **Flat 6 Hazlitt House, 38 Hazlitt, London,
W14 0LE**

Applicants : **Rosalind Mackie and Geoffrey Wilson**

Representative : **In person**

Respondent : **Hazlitt House (W14) Limited**

Representative : **Joe Munday**

Type of Application : **s.27A Landlord and Tenant Act 1985**

Judge Jim Shepherd

Tribunal Members : **Andrew Lewicki FRICS**

Date of Decision : **19 May 2021**

This has been a remote hearing which has been consented to by the parties. The form of remote hearing was coded as CVPREMOTE - use for a hearing that is held entirely on the Ministry of Justice Cloud Video Platform with all participants joining from outside the court. A face to face hearing was not held because it was not possible due to the Covid 19 pandemic restrictions and regulations and because all issues could be determined in a remote hearing. The documents that were referred to are in two bundles, the contents of which we have recorded and which were accessible by all the parties. Therefore, the tribunal had

before it an electronic/digital trial bundle of documents prepared by the parties, in accordance with previous directions.

1. By an application dated 3 February 2020 the Applicants, Rosalind Mackie and Geoffrey Wilson challenged service charges due at their former address at flat 6 Hazlett House, Hazlitt Rd, London W14 OLE (“The premises”) . They are currently resident at 71 Masbro Rd, London W14 OLS. They assigned their lease of the premises in July 2018. The freeholder of the premises is Camargue Estates. The managing agent is Urang. The service charges were challenged for the period 2015 until 2020. The total value of the dispute was originally £7500. At a Case Management Conference on 26th November 2020 at which both parties were present the parameters of the dispute were set as *whether service charges are payable for the periods 2015,2016,2017 and 2018* .The matter was heard on 29 March 2021. The applicants were in-person and the respondent was represented by Joe Munday of Urang. The relevant lease was dated 19 June 1989.
2. A Scott schedule outlined the dispute between the parties. This ran to 11 pages. The Tribunal intends to deal with each item in turn in short order. Although the items in the schedule were not numbered they are dealt with below in order and numbers are attributed to them.
3. Item 1 was an arrears admin fee of £300 the Applicants said Urang had promised to refund the sums. In response Urang said in the Scott schedule that the sum had already been removed from the accounts. At the hearing Mr Munday was unable to satisfy the tribunal that the £300 sum had been removed from the account. This sum should therefore be deducted from the outstanding sums due.

4. Item 2 was a block management cost of £620 sought in 2013. This was not within the remit of the application as defined in the Tribunal's directions and therefore no determination is made in relation to it.
5. Item 3 was directors and officers insurance costs of £450 for 2013. Again this sum was not within the remit of the application as defined in the Tribunal's directions and there therefore no determination is made in relation to it.
6. Item 4 was directors and officers insurance of £450 for 2014. Again this sum was not within the remit of the application as defined in the Tribunal's directions and therefore no determination is made in relation to it.
7. Item 5 was a fire inspection report costing £350. In the Scott schedule the Respondents explained that in fact the sum that was due was £142.24 which comprised fire inspection and installing safety signage. Both were carried out by Urang cleaning and maintenance. This was a reasonable sum to incur in the Tribunal's opinion. Recent events have shown that fire safety is extremely important in residential properties. The sums are not excessive and are therefore due.
8. Item 6 was the directors and officers insurance for 2015. The Applicants pointed out that these costs should not appear in the service charge and had been incorrectly demanded. The response from the Respondent was that the sums were not demanded as part of the service charge but they are a levy on the shareholders as agreed by them. As defined the sums are not within the remit of the Tribunal's jurisdiction and no determination will be made with regard to them.

9. Item 7 was plumbing work costing £312.90. This matter was not taken forward by the Applicants and it is in any event the Tribunal's determination that the sums claimed were reasonable.

10. Item 8 was the drain and gutter contract at £480. In fact, as explained by the Respondents in the Scott schedule this was again a budgeted amount of £500 however there was a nil expenditure that year. Accordingly, there is no determination to make as regards that sum.

11. Item 9 was a fire alarm contract for 2016. The sum claimed was £350. The Applicants stated that the Urang contract had not been correctly demanded. In the response the Respondent stated that this related to an invoice 0464. It was stated that this was not a qualifying long - term contract and was agreed separately each year and approved by the directors each time. The sum was for fire alarm and emergency light testing. The Tribunal agrees that this was not a qualifying long - term agreement and that the sum charged was in all the circumstances reasonable.

12. Item 10 was a drain and gutter contract of £480. The Applicants stated that Urang had not correctly consulted on this amount. In the response the Respondent stated that there was £500 budgeted for this work for the year but no sums were spent. Accordingly, the Tribunal has no determination to make with regard to this sum.

13. Item 11 was project management costs of £1222. In the Scott schedule the Applicants state that they only became aware of this cost when they inspected the accounts in 2016. In the response the Respondent states that the sum was actually from 2010. The Tribunal makes no determination in relation to this sum as it is outside the parameters of the directions as identified above.

14. Item 12 was in relation to a gas credit of £387.93. The Tribunal preferred the Respondent's evidence in relation to this sum. The Applicant was using the wrong amount for the standing charge in her calculations and this would have affected the figures.
15. Item 13 related to roof terrace works at a cost of £248.48. The Applicant said that these sums were not demanded correctly and there had been no consultation. At the hearing the Applicant conceded that these sums were due.
16. Item 14 was the directors and officer's insurance of £450. A determination has already been made on this. The sums work should not have been part of the service charge and in any event they fall outside the Tribunal's jurisdiction.
17. Item 15 related to fire alarm works in 2017. The Tribunal considers that the sums were reasonable and reasonably incurred.
18. Item 16 related to the drain and gutter contract. A determination has already been made in relation to this above and the same determination applies. The sums are due and reasonable.
19. Item 17 relates to directors and officers insurance for 2017. A determination has already been made in relation to these sums.
20. Item 18 related to the fire alarm contract for 2018 of £350. The response from the Respondents which is accepted by the Tribunal was that there was actually no sums spent on the fire alarm in this financial year. Accordingly, there is no determination to be made.

21. Item 19 related to the drain and gutter contract for 2018. In fact, although the sum challenged was £480 this was a budgeted figure and the sums actually incurred were only about £260. These sums are reasonable and due.

22. Item 20 was the pro-rata service charge of £347.63. The Tribunal understands that this is the sum that was due at the date of the assignment of the lease by the Applicants. Accordingly, the sum is due and there is no determination for the tribunal to make.

23. Item 21 was the directors and officers insurance for 2018. This has already been dealt with.

24. Item 22 related to a gas credit of £1500. The Applicants state that they were billed this on the sale of the property. They challenge whether the sums were technically due because they were incurred over 18 months before they were demanded. In response the Respondent stated that the amount for the gas was contained in all of the leaseholder accounts and the contribution had been much discussed so that the Applicants must have anticipated the charge. The Tribunal accepts this analysis and determines that although a demand was not formally made within the period of the 18 months beginning with the date when the relevant costs in question were incurred the tenant was notified in writing that those costs had been incurred and they would be required under the lease to contribute to them by the payment of the service charge. This is the application of section 20 B of the Landlord and Tenant Act 1985.

25. The Applicants asked the tribunal to exercise its discretion under section 20 C of the Landlord and Tenant Act 1985. The effect of this provision is to prevent the landlord from recovering the cost of defending proceedings via the service charge. In this case the landlord has largely been successful. There is no basis to exercise the discretion under section 20 C.

19 May 2021

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case. The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit. The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking. If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).