

**THE RESIDENTIAL PROPERTY TRIBUNAL SERVICE  
SOUTHERN RENT ASSESSMENT PANEL  
LEASEHOLD VALUATION TRIBUNAL**



**S. 20C and S.27A of the Landlord & Tenant Act 1985(as amended)("the Act")**

<b>Case Numbers:</b>	<b>CHI/OOML/LIS/2010/0008</b>
<b>Property:</b>	<b>Flat 29 1 Nancy Road Portsmouth PO1 5DF</b>
<b>Applicant:</b>	<b>Mr Kenneth Ross</b>
<b>Respondent:</b>	<b>Mrs T Robson</b>
<b>Date of Inspection /Hearing</b>	<b>15<sup>th</sup> June 2010 and 24<sup>th</sup> September 2010</b>
<b>Appearances for the Applicant:</b>	<b>The Applicant in person with Mr Lee Johnson of Big Mandarin Property Management Limited</b>
<b>Appearances for the Respondent:</b>	<b>Mr Finch</b>
<b>Tribunal:</b>	<b>Mr R T A Wilson LLB (Lawyer Chairman) Mr D Lintott FRICS (Surveyor Member) Mr R Dumont (Lay Member)</b>
<b>Date of the Tribunal's Decision:</b>	<b>21<sup>st</sup> October 2010</b>

## **Decision**

1. The tribunal determines that the only sums due from the respondent to the applicant by way of service charge for the challenged years are as set out in the schedule attached to this decision, the respondent being entitled to a credit in respect of any sums already paid to the applicant for these sums.
2. The tribunal makes no determination in respect of any other issues submitted by the applicant for want of jurisdiction under Section 27A of the 1985 Act.
3. The tribunal makes an order under Section 20C of the 1985 Act.

## **Reasons**

### **Introduction**

4. By Order of the Northampton County Court dated 23rd October 2009 (Claim Number 9QZ45795) the Court ordered the case to be transferred to the Leasehold Valuation Tribunal. In those Court proceedings, the applicant as Claimant had applied for judgement in respect of unpaid maintenance charges and interest totalling £3,504.62 plus court fees. These unpaid maintenance charges were alleged to relate to the accounting years 2004 to 2010 inclusive. The respondent as defendant in those proceedings disputes the claim.
5. The tribunal's jurisdiction to deal with matters transferred by the Court relates only to consideration of the reasonableness and payability of service charges under the terms of Section 27A of the 1985 Act. The applicant did raise other issues but they were either matters over which the tribunal has no jurisdiction at all or in respect of which (e.g. lease variation) no formal application had been made.

### **Inspection**

6. Prior to the first day of the hearing the tribunal inspected the property in the presence of the applicant's representative Mr Johnson and Mr Finch on behalf of the respondent.
7. The tribunal saw a modern mixed commercial and residential development, built in 2003 over 5 floors at the front and 3 floors at the rear above the car park. The building is of brick construction with a composite decorative slate facade at the front, under a slate roof. The ground floor contains a row of 6 retail units, let to 3 tenants, with the upper parts comprising 42 residential flats. The residential units are divided into 4 x 1 bedroom flats and 38 x 2 bedroom flats. The first floor, above the commercial shops, has 13 flats, 2nd floor has 13 flats, 3rd floor has 8 flats and a further 8 flats on the top floor. The tribunal was told that of the total, 10 are owner occupied and the remainder are held as investments and sub-let. Access to the flats is via a communal external walkway at the rear of the building at each level approached by stairways and lift. There are 24 car parking spaces for residential and commercial units situated at the rear within the courtyard enclosure with a further 6 spaces and the bin store outside at the rear.
8. The footprint of the building is bound on three sides by the streets of Nancy Road, Penhale Road and Fratton Road. At this location, Fratton Road is one of the boundaries of the Charles Dickens electoral ward, a ward with significant social deprivation. A recent examination (2007) shows that ward to be in the most deprived 10% nationally in indices of multiple deprivation.

### **Hearing & Representations**

9. The hearing of the case extended to two days, those attending being noted above. Mr Johnson attended only the first day of the hearing. So far as relevant to our consideration and decision we noted the case papers and the evidence and submissions, which we summarise as far as necessary below.

### **The law.**

10. The following statutory provisions are relevant to our consideration and are either summarised below or set out in full as necessary:

#### **The Statutory Provisions**

The relevant statutory provisions in the 1985 Act are as follows:

#### **“Meaning of “service charge” and “relevant costs”**

18. (1) in the following provisions of this Act service charge means an amount payable by a tenant of a dwelling as part of or in addition to the rent—
- (a) which is payable, directly or indirectly, for services, repairs, maintenance or insurance or the landlord’s costs of management, and
  - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) the relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose—
- (a) “costs” includes overheads, and
  - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

#### **Limitation of service charge: reasonableness**

19. (1) relevant costs shall be taken into account in determining the amount of a service charge payable for a period—
- (a) only to the extent that they are reasonably incurred, and
  - (b) where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard;
- and the amount payable shall be limited accordingly.

- (2) where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

#### **Limitation on service charges: time limit on making demands**

20B (1) if any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.

- (2) subsection (1) shall not apply if, within the period of 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 that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

#### **Summary of Consultation Requirements**

This legislation was amended with effect from 30 October 2003. Until that date the provisions provided that service charge contributions are limited in respect of qualifying works unless statutory consultation requirements have been complied with or dispensed with so that for work done or more after 1 September 1988 the costs recoverable as service charge was limited to the greater of £1000 or £50 multiplied by the number of dwellings let to tenants liable to pay.

As from November 2003 S.20 of the 1985 Act provides that where there are qualifying works, or a long term agreement the relevant contributions of tenants are limited unless the consultation requirements have been either complied with or dispensed with by the determination of a Leasehold Valuation Tribunal.

The definitions of the various terms used within S.20 are set out in that Section.

In order for the specified consultation requirements to be required, the relevant costs of the qualifying work have to exceed an appropriate amount, which is set by regulation and at the date of the application is more than £250 per lessee.

Details of the consultation requirements are contained within a statutory instrument entitled Service Charges (Consultation Requirements) (England) Regulations 2003, SI2003/1987. The requirements include for example, the need for the landlord to state why they consider the works or the agreement to be necessary and for further statements setting out their response to observations received and their reasons for selection of the successful contractor. Consultation notices must be sent both to individual tenants and to any Recognised Tenants' Associations (RTAs); both the tenants and the RTA have a right to nominate an alternative contractor depending on the circumstances, and the landlord must try to obtain an estimate from such nominees. The procedures also provide for two separate 30-day periods for tenants to make observations.

### **Liability to pay service charges: jurisdiction**

- 27A (1) An application may be made to a leasehold valuation tribunal for a determination of whether a service charge is payable and, if it is, as to-
- (a) the person by whom it is payable,
  - (b) the person to whom it is payable,
  - (c) the amount which is payable,
  - (d) the date at or by which it is payable, and
  - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to a leasehold valuation tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to-
- (a) the person by whom it would be payable,
  - (b) the person to whom it would be payable,
  - (c) the amount which would be payable,
  - (d) the date at or by which it would be payable, and
  - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which-
- (a) has been agreed or admitted by the tenant,
  - (b) has been, or is to be, referred to arbitration pursuant to a post dispute arbitration agreement to which the tenant is a party,
  - (c) has been the subject of determination by a court, or
  - (d) has been the subject of determination by an arbitral tribunal pursuant to a post dispute arbitration agreement.
- (5) but the tenant is not to be taken to have agreed or omitted any matter by reason only of having made any payment.

### **The Lease.**

11. The respondent's lease is dated 11<sup>th</sup> July 2003. So far as material to the issues in this case there are provisions contained within it which may be summarised as follows:-
  - a. The respondent is liable to pay a service charge calculated in accordance with the provisions of the Fourth Schedule to the extent of 1/48<sup>th</sup> part of the total expenditure on the building incurred by the applicant in carrying out his obligations as landlord as set out in clause 5 of the lease.
  - b. There is provision for the respondent to pay service charge on account on the 1<sup>st</sup> January and the 1st July in advance in each year;
  - c. There is provision for the applicant at the end of each accounting period to prepare and certify accounts; to send a copy of those accounts to the respondent with a statement showing the sum payable by the respondent for that accounting period having regard to the payments paid on account during that same accounting period; In the event of the money expended by the landlord exceeding the payment made by the lessee on account, the balance is payable within 14 days of a demand being made for that balance.

### **Analysis of the evidence**

- 12 The tribunal found on the evidence put to it that no certified annual accounts for any of the challenged years have been served on the respondent. It therefore concluded that all the demands for service charge issued on behalf of the landlord must be treated as demands for payments on account of the estimated total annual expenditure.
- 13 In the judgement of the tribunal, payments on account for service charge fall to be dealt with under section 19(2) of the 1985 Act. The legislation expressly contemplates the payment of service charges on account and provides an express mechanism in section 19(2) for challenging such payments on account. Furthermore in the opinion of the tribunal, section 20B of the 1985 Act comes into operation if the landlord spends more than the sums demanded on account, in which event any further demand must be raised within the 18 month period required by section 20B. If such a demand is not so made then, unless a landlord has invoked the saving provisions set out in section 20B(2), the excess costs will be irrecoverable.
- 14 In arriving at its decision the tribunal considered the half yearly estimated sums set out in demands for each of the years contained in the applicant's bundle. In particular, the tribunal had before it the following documents:-
  - a. Letter dated 20 January 2004 relating to flat 10 entitled expected fees and maintenance for the year 1st January 2004 to 31st December 2004.
  - b. Letter dated 4th of February 2005 relating to flat 10 entitled expected fees for the year.
  - c. Letter dated 17th January 2006 relating to flat 10 entitled expected maintenance fees for the year.
  - d. Letter dated 1 January 2007 relating to flat 10 entitled expected fees for the year.

- e. Undated invoice relating to an unspecified property entitled service charge 2008.
- f. Consolidated annual accounts 2003 to 2007 inclusive dated 30th October 2008.
- g. Undated and unsigned accounts for 2008.
- h. Service charge invoice for 2009 relating to Flat 2.
- i. Invoice dated 1 January 2010 relating to the subject property.

- 15 Mr Finch did not challenge all of the figures contained in these estimates but he did have a variety of general concerns for instance the failure of the applicant to provide annual balancing service charge accounts and he also challenged the following specific items; The door entry costs for each year (because the breakdown was not understood), the management fees for 2004 and 2005, the bank charges for each year, the accountancy charges for each year, the insurance for each year, the cleaning charges for 2010 and finally the communal costs for 2005.
- 16 The tribunal heard evidence from the applicant that each demand on account had been based on the lessee's liability being 1/42 part of the estimated total expenditure. This was the case even though the leases all referred to a 1/48 part. It was the applicant's contention that the lease was wrong and he firmly believed that each of the 42 residential units should be paying 1/42 of service charge bills. Whilst accepting that this issue was beyond the remit of the tribunal, he confirmed that all figures in the demands had been calculated on a 1/42 basis.
- 17 The tribunal does not accept that the lease can be altered without a formal arrangement signed by the parties and, in arriving at its decisions as to the reasonableness of the on account service charges, it has calculated the respondent's liability as 1/48 part of the estimated expenditure being the percentage contained in the respondent's lease.
- 18 Mr Ross accepted that although most of the estimated demands contained in his bundle related not to the subject property but to flat 10, he asserted that identical demands would have been sent out for flat 29. Mr Finch did not challenge this statement.
- 19 Turning first to 2005 Mr Finch contended that the estimated door entry costs of £12,313 were unreasonable because part of these costs related to the capital cost of the equipment. He also challenged the audit fees of £550 because no annual accounts had been served on the respondent. He questioned, and considered too high, the amount of management fees which had been assessed at 15% of the estimated annual expenditure giving rise to a figure of just over £200. Mr Finch also challenged the bank charges which the applicant conceded should not have been charged to the maintenance account in any of the years.
- 20 In the tribunal's judgment the lease terms are sufficiently widely drawn to allow the capital costs of the door entry system to be recovered as service charge. However, it found on the evidence that the capital costs of the system exceeded the threshold for consultation for qualifying long-term agreements of £100 per lessee per year. We arrived at that conclusion because we were told that although the original door entry contract was placed before the flats were sold, one of the parties to that contract had gone in to administration as a result of which the then freeholder signed a new contract for the balance of the term of the old which extended for more than one year and involved expenditure which would result in all the leaseholders paying more than £100 per year. Although we appreciate that the signing of the contract may have

avoided the possibility of the existing system being removed, we take the view that consultation should have taken place at that stage. As the applicant accepted that consultation had not taken place the tribunal concluded that an adjustment should be made for this item from £12,313 claimed in the 2005 estimated demand to just under £9,995. We arrived at this reduced figure by estimating the reasonable maintenance costs at £5,795 per annum, an amount accepted by the respondent as being reasonable, and adding to this figure the qualifying agreement cap of £4,200, which gave a total of £9,995. This reduced the total 2005 annual anticipated expenditure from just over £49,000 to £46,000. The tribunal then divided this figure by 48 being the lessees share of the total expenditure and added to the resultant figure management charges of £176 which it considered to be reasonable. These calculations gave rise to a total estimated figure of £1,133 for the year payable by the respondent against the figure of £1,370 demanded. The tribunal did not accept the respondent's unsubstantiated challenge that the insurance for every year was too high. Applying the tribunal's collective knowledge of the cost of insurance, we concluded that the amounts estimated in each year have been reasonable bearing in mind the high claims record for the building. The tribunal concluded that all other sums estimated in 2005 to be reasonable.

- 21 For each of the subsequent years the tribunal carried out a similar exercise deducting from the estimated annual expenditure bank fees and audit fees. In 2007 the tribunal also deducted the deficit stated to be £16,729. It did so because the demand was undated and the figure set out in the estimate was completely un-particularised with Mr Ross being unable to assist the tribunal as to what this figure was or how it had been calculated. The actual calculations for each of the years are set out in the schedule attached to this decision and the schedule also includes the amount determined by the tribunal to be payable by the respondent for each year.
- 22 In respect of each of the accounting years 2004, 2005, 2006, 2007 and 2008, the tribunal determines that the respondent is not liable to contribute towards any excess expenditure incurred in those years over and on top of the amounts already demanded by the applicant on account and determined by this decision as being reasonable. As stated above, as the respondent has not been provided with certified balancing accounts for those periods, or demands for the excess within 18 months of expenditure, Section 20B of the 1985 Act applies.
- 23 The purpose of Section 20B is to ensure that lessees are kept up to date as far as possible with service charge expenditure and what liabilities they are likely to have to contribute towards in future. We found on the evidence put to us that the applicant has not properly adhered to the lease provisions relating to the collection of service charge and as a consequence the respondent has not been kept up to date. In particular the applicant and his predecessors in title have failed to prepare and serve upon the lessees certified annual reconciliation accounts as provided for in the Fourth Schedule to the lease. We find this surprising, as the applicant has employed third party professional management throughout the contested period.
- 24 Subsection (1) provides for service charge demands to be served on a tenant not later than 18 months after expenditure has been incurred. As mentioned above, plainly the applicant has not complied with this. Subsection (2) provides a means of the landlord overcoming non-compliance with the provisions of Subsection (1): it requires, within 18 months of costs being incurred, that written notification is given to the lessee that costs have been incurred and that the lessee would subsequently be required to contribute towards them.
- 25 We were not satisfied on the evidence put to us that the respondent had been notified in writing for any of the contested years that firstly the amounts demanded were



simply estimates of her liability and that secondly she would subsequently be required under the terms of her lease to contribute further in respect of the actual amounts incurred in any accounting period. Whilst the applicant's bundle did include a copy of a replacement invoice, which made reference to a deficit of £16,729, the applicant was unable to say what the significance of this entry was. To start with he speculated that it was a correcting entry for the actual amounts spent in 2007. Later in the hearing he suggested that it might be the balancing figure for 2006. Having regard to this uncertainty, the fact that the demand is undated and that there is a significant discrepancy in the deficit figure contained in this demand as against the deficit figures contained in the consolidation accounts for the years 2003 to 2007 inclusive - contained in the applicant's bundle - the tribunal concluded that the entry, which was also un-particularised, should be disregarded in determining the respondent's liability to pay the estimated sums for the challenged years. There was nothing else in the applicant's hearing bundle which came anywhere near close to constituting a section 20B(2) notice and accordingly the saving provisions of Section 20B(2) cannot apply in this case.

- 26 In our consideration of the effect of Section 20B, we have also considered the judgement in the case of *Gilje v Charlegrove Securities (No 2)* [2003] 3 EGLR 9. The decision in that case was that section 20B of the 1985 Act has no application where:
- a. payments on account are made to the lessor in respect of service charges;
  - b. the actual expenditure of the lessor does not exceed the payments on account; and
  - c. no request by the lessor for any further payment by the tenant needs to be, or is in fact, made.
- 27 That may in summary be stated to mean that Section 20B does not apply if service charges on account had been made which results in no further demand being required by the lessor to the lessee. This is not the case here. We reviewed the consolidated accounts for 2003-2007 contained in the applicant's bundle and it is evident that year-by-year the balance said to be due from the applicant in terms of arrears increases. We can only conclude from that that a further request for payment by the applicant must be contemplated but on our analysis of the facts and the law such demands would be irrecoverable up to and including the service charge year 2008 because of the effect of the provisions of Section 20B of the 1985 Act.
28. The tribunal questioned the applicant and his representative on the significance of the consolidated accounts contained in the applicant's hearing bundle. The tribunal pointed out that the figures contained in these accounts differed in material respects from the estimated demands. Mr Ross was unable to explain to the tribunal what the significance of these accounts was and neither could Mr Johnson. Mr Johnson, however, did confirm to the tribunal on the first morning of the hearing, that these accounts had not been served on the respondent or indeed on any of the lessees. He also told the tribunal that as far as he was aware annual balancing accounts were not sent out routinely to any of the lessees. On the basis of this evidence we concluded that the consolidating accounts had not been served on the lessees and had been prepared for an unknown purpose possibly to assist in the sale of the freehold in 2007/2008. Accordingly they did not assist the tribunal in its determination.

#### **Section 20C Application.**

29. The legislation gives the tribunal discretion to disallow in whole or in part the costs incurred by a landlord in proceedings before it being treated as relevant costs to be taken into account when determining the amount of future service charges. The

tribunal has a wide discretion to make such an order that is just and equitable in all the circumstances. Decided cases suggest that in arriving at its decision tribunals should have regard not only to the outcome of the case but also the conduct of the parties.

30. The tribunal has had considerable difficulty in understanding the applicant's case and considers that the failure on the part of the applicant to adhere to the service charge provisions in the lease has led to a lack of clarity as to the amount properly payable by the respondent by way of service charge. The wrong service charge percentage has been applied to every demand and there has been a failure to prepare and serve annual balancing service charge accounts. It is entirely understandable that the respondent has been reluctant to pay the amounts demanded by the applicant. There is no doubt that the case had to be defended and the respondent has been to a large measure successful in her challenge. For these reasons it is just and equitable that a Section 20C order be granted as a result of which no part of the costs incurred by the applicant in connection with this application is capable of forming part of the service charges to be recovered from the lessees in the building.

Signed \_\_\_\_\_

RTA Wilson (Chairman)

Dated 21<sup>st</sup> October 2010

## SCHEDULE

Demands for all years included Ground Rent of £200 consideration of which is beyond our jurisdiction

	Estimated service charge item	Claimed total for all units (£)	Claimed per unit @1/42 (£)	Awarded all units (£)	Awarded per unit @1/48 (£)	Notes
2004	"Maintenance Charges"		1,583.00		1,386.00	not itemized, not contested by respondent except in proportion, amount corrected to 1/48th.
2005	"Invoice Number 590					
	Expected fees for year"					
	Lift telephone line	250.00		250.00		
	Lift power and communal power	271.25		271.25		
	Lift maintenance and call out	5,675.64		5,675.64		
	Fire Alarm repair	632.72		632.72		
	Door Entry lease cost	12,313.20		9,995.00		see para 20
	Communal cleaning	7,787.50		7,787.50		
	Water rates	5,807.10		5,807.10		
	Communal repairs	1,000.00		1,000.00		
	Communal Decoration	4,700.00		4,700.00		
	Window Cleaning	1,000.00		1,000.00		
	Buildings insurance	7,357.21		7,357.21		
	Audit and accountancy fees	550.00		0.00		See para 19
	Bank charges	120.00		0.00		See para 19
	Sinking fund	1,000.00		1,000.00		
	Contingency	500.00		500.00		
	Total	48,964.62	1,165.40	45,976.42	957.84	
	Management fee		204.81		176.00	
	Final Total		1,370.21		1,133.84	
2006	"Invoice number 864					
	Expected Maintenance fees for year"					
	Lift telephone line/CCTV Phone line	400.00		400.00		
	Lift power and communal power	459.37		459.37		
	Lift maintenance and call out	1,000.00		1,000.00		
	Fire Alarm repair	397.45		397.45		
	Door Entry lease cost	4,104.40		4,104.40		
	Door Entry system maintenance cost	569.94		569.94		
	Communal cleaning	7,787.50		7,787.50		
	Water rates	6,396.28		6,396.28		
	Communal repairs	1,984.35		1,984.35		
	Buildings insurance	7,355.72		7,355.72		
	Audit and accountancy fees	511.25		0.00		
	Bank charges	20.00		0.00		
	Sinking fund	1,000.00		1,000.00		
	Contingency	500.00		500.00		
	Total	32,486.26	773.48	31,955.01	665.73	
	Administration charge		150.00		150.00	Managment fee?
	Final Total		923.48		815.73	

2007	"Invoice number 842A"					
	Lift telephone line/CCTV Phone line	659.81		659.81		
	Lift power and communal power	320.47		320.47		
	Lift maintenance and call out	2,662.02		2,662.02		
	Fire Alarm maintenance	3,295.10		3,295.10		
	Door Entry cost	12,313.20		9,995.00		
	Door Entry system maintenance cost	1,752.80		0.00		
	CCTV	988.71		988.71		
	Communal cleaning and Rubbish	8,857.50		8,857.50		
	Water supply	6,660.17		6,660.17		
	Communal repairs	3,069.07		3,069.07		
	Insurance	9,434.52		9,434.52		
	Audit and accountancy fees	940.00		0.00		
	Bank charges	36.00		0.00		
	Sinking fund	1,000.00		1,000.00		
	Contingency	500.00		500.00		
	Deficit	16,729.00		0.00		See para 21
	Total	*69178.37	1,807.10	47,442.37	988.38	*Should read 69218.37
	Maintenance fee		160.00		160.00	
	Final Total		1,967.10		1,148.38	
2008	"Service Charge 2008" and "Service Charge Statement"					
	Door Entry System maintenance		6.71		5.87	
	Lift Maintenance and call out		47.62		41.67	
	Communal Cleaning		371.43		325.00	
	Building Insurance		152.16		133.14	
	Audit and Accountancy		6.80		0.00	
	bank Charges		1.19		0.00	
	Communal Power		11.90		10.41	
	Communal Repairs		36.98		32.36	
	Window Cleaning		14.86		13.00	
	Fire Alarm maintenance		35.71		31.25	
	Water rates		112.48		98.42	
	Pest Control		7.38		6.46	
	CCTV maintenance		7.36		6.44	
	Fire risk Assessment		3.57		3.12	
	Management Fee		160.00		140.00	
	Sinking Fund		37.00		32.38	
	Management fee increase (Caretaker)		158.40		138.60	
	Final Total		1,171.55		1,018.12	

<b>2009</b>					
	"Estimated Annual Costs"				
	Building insurance		171.77		150.30
	Audit and Accountancy fees		5.95		0.00
	Communal Repairs		50.00		43.75
	Fire Risk Assessment		4.76		4.17
	Bank Charges		0.86		0.00
	Communal Power		5.95		5.21
	Block Cleaning		278.57		243.75
	Door Entry System maintenance		11.90		10.41
	Lift Maintenance and call out		11.90		10.41
	Fire Alarm maintenance		5.95		5.21
	Water Rates		95.24		83.34
	CCTV Maintenance		7.14		6.25
	Contribution to Sinking Fund		100.00		87.50
	Management fee		160.00		140.00
	Management fee vat		24.00		21.00
	Final Total		934.01		811.28
<b>2010</b>					
	"Invoice"				
	Audit and Accountancy		5.95		0.00
	Refuse Collection		11.90		10.41
	Management fees, plus vat		234.91		205.55
	CCTV maintenance		23.80		20.83
	Lift Maintenance and Call out		71.40		62.48
	Door Entry System Maintenance		59.50		52.06
	Fire and Safety Upgrades		11.90		10.41
	Repairs		47.60		41.65
	Decoration		47.60		41.65
	Cleaning		333.20		291.55
	Insurance 2009 Shortfall		118.40		103.60
	Pest control		11.90		10.41
	Insurance 2009 Shortfall		357.00		312.38
	maintenance		23.80		20.83
	Sewage- southern Water		154.70		135.36
	Health Safety and Environment		11.90		10.41
	Water Supply- Portsmouth Water		83.30		72.89
	Electricity Southern Electric		16.66		14.58
	Final Total		1,625.42		1,417.04