



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

Case Reference : LON/00AU/LSC/2018/0289

Property : Flat 3, Maygood House, Maygood Street, London N1 9QR

Applicant : Every Property Ltd.

Representative : Mr. A Martin

Respondent : R Trading Company 1 Limited

Representative : Defries and Associates

Types of Application : Service charges

Tribunal Members : Judge Tagliavini
Mr. D Jagger MRICS

Date and venue of Hearing : 26 November 2018
10 Alfred Place, London EC4Y 7DR

Date of Decision : 26 November 2018

DECISION

Decisions of the tribunal

- I. The tribunal finds that the Respondent's demands for service charges for the years 2015, 2016, 2017 and 2018 have been validly made and that the sums claimed are payable by the Applicant.
 - II. The tribunal finds that the sums demanded by the Respondent for the service charge year 2018 are payable in accordance with the terms of the lease.
-

The application

1. This is an application made under section 27 of the Landlord and Tenant Act 1985 seeking the tribunal's determination of the liability to pay service charges for the years 2015 (£1,332.80); 2016 (£1,865.12); 2017 (£1,268.32) and 2018 (£1,479.14). The Applicant is a long leaseholder under a lease dated 7 December 1984 granted for a term of 125 years from 25 March 1984 and a new lease dated 30 January 2015 for a lease term ending on 25 March 2199 made between Globecastle Limited and Every Property Limited and upon the same terms and conditions as made in the previous lease.

The premises

2. The subject premises comprise a ground floor self-contained flat on the in a purpose built 1930's block of 30 apartments,

The issues

3. At a case management conference held on 23 August 2018 the tribunal identified the issues between the parties as:
 - (i) The service charge years in dispute are 2015, 2016, 2017 and 2018.
 - (ii) For each service charge year in dispute the Applicant asserts that the invoices were not correctly addressed and did not contain details of the landlord and therefore did not comply with the provision of section 47 and 48 of the Landlord and Tenant Act 1987.
 - (iii) Whether in respect of the 2018 service charge year the sums demanded are payable as the applicant asserts that the Respondent's managing agents have altered the budget midyear and that there is no provision in the lease to do so and that the service charges relate to expenditure on a

demised property and therefore are costs outside of the service charge regime. Consequently, there is an unsubstantiated amount of £812.74.

The hearing and evidence

4. As neither party requested an oral hearing and the tribunal determined the application on the documents provided.
5. In support of the application the tribunal was provided with a bundle of documents containing the evidence on which both parties sought to rely. However, despite having been required to provide a statement setting out the issues in dispute and the reasons why as well as any legal argument, no such comprehensive statement was provided by the Applicant although a Schedule on p.131 of the bundle appeared to set out the Applicant's case.

The Applicant's case

6. From the various documents provided the Applicant asserted that the service charge demands were wrongly addressed as they were sent to Mr. Andrew Martin rather than in the Applicant's name of Every Property Limited. The Applicant also asserted that the demands for payment of service charges did not, for any of the periods in dispute, contain the address of the freeholder and therefore failed to comply with sections 47 and 48 of the Landlord and Tenant Act 1987. Copies of the demands sent were provided to the tribunal.

The Respondent's case

7. The Respondent sought to rely on a Statement of Response dated 26 October 2018 in which it was asserted that the demands for service charges was sent to the address provided by the Applicant in a letter received in September 2007 in which Mr. Martin requested all demands be addressed to him personally at various addresses at which he received his correspondence. No reference was made to the Applicant's name being substituted in the service charge demands. By an email dated 18 December 2017, Mr. Martin requested that all correspondence be sent to the subject property address and not to any alternative address that had been previously provided. On 28 September 2018, Mr. Martin requested all service charge demands be addressed to Every Property Ltd rather than to him as a Director of the company. Demands were sent to Mr. Martin at the subject property and paid by him without reference to there being any irregularities.
8. The Respondent also asserted that all demands sent to the Applicant contained the address of the landlord. Where any address was inadvertently omitted due to an upgrade in the computer system being utilised by the managing agent, this was corrected by resending the demands with the landlord's address included. The Respondent stated that in 2010, the Respondent's accountants had without notice or

instruction changed the accountancy period which is defined in the lease as being the *“First day of January and ending on the Thirty-first of December in any year.”*

9. Additional demands for payment were made for electrical works carried out as they are a communal charge and not the liability of a single lessee (Flat 17).

Reasons for the decisions of the tribunal

10. In reaching its decision the tribunal took into account all of the documentary material provided by the parties. The tribunal finds that the service charge demands were clearly addressed to Mr. Martin at the addresses he had provided to the Respondent. The tribunal also finds that there is no evidence provided by the Applicant to show that he considered this course of action by the Respondent to be erroneous and finds he actively encouraged the Respondent to follow this method of making its service charge demands. Further, the tribunal finds that the service charge demands contained the address of the landlord and expressly stated that this was the “Address for Notices.”
11. The tribunal notes the clauses of the lease which allow for the collection of interim sums of service charge pursuant to The Fifth Schedule which defines “The Interim Charge” means any such sum to be paid on account of the Service Charge in respect of each Accounting Period as the lessors or the Managing Agents shall specify at their discretion to be a fair and reasonable interim payment.
12. The tribunal finds that the Applicant has not sought to dispute the amount of the service charges demanded for any period (except for the additional charge in 2018) as being unreasonable in amount or for services not reasonably provided or in respect of the period for which they were demanded. The tribunal finds that the demands for interim service charges were properly made although the final accounts did not accurately reflect the Accountancy Period. However, the effect of this has been to finalise the service charges accounts for a different period than specified in the lease but not to render the demands for interim service charges invalid.
13. The tribunal finds the Applicant’s assertions in respect of the additional sum claimed in 2018 to be unclear as Mr. Martin does not seek to refer to any clauses in the lease upon which he relies. The tribunal prefers the Respondent’s explanation for these charges and finds that they have been properly incurred and are payable by the Applicant.

Section 20C/schedule 5A

14. The tribunal has considered the Applicant’s submission that the Respondent’s costs of this application are not be added to the service

charge account or otherwise or to the Applicant. However, in light of the findings above the tribunal does not consider this to be reasonable and therefore refuses the application.

Signed: Judge Tagliavini

Dated: 26 November 2018