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**Residential
Property**
TRIBUNAL SERVICE

**LEASEHOLD VALUATION TRIBUNAL FOR THE LONDON RENT
ASSESSMENT PANEL**

LON/00AS/LSC/2009/0589

Applicant: Southern Land Securities Limited

Respondent: Ms R Sheeba

Property: 111 Willow Tree Lane, Hayes, Middlesex
UB4 9BL

Date of Transfer: 7th January 2009

Appearances for Applicant: Mr Barry Taube and Ms Debbie Toson of
Hamilton King Management Ltd
appeared on behalf of the Applicant

Appearances for Respondent: Ms Sheeba appeared and represented
herself

Leasehold Valuation Tribunal: Ms Helen Carr
Mr John Power
Ms Jayam Dalal

Date of Decision 30th April 2010

DECISION

The Tribunal determines that service charges of £1,686.44 are payable by the Respondent in connection with the service charge demands made in the period 25th December 2006 to 23rd June 2008. This amount is the amount claimed by the Applicant in its summons dated 7th January 2009 (£2,182.62) (less ground rent (£80) legal fees (£200.63) and the arrears brought forward from previous managing agents (215.55).

PRELIMINARY

1. The Applicant seeks a determination under section 27A of the Landlord and Tenant Act 1985 as amended of the reasonableness and/or liability to pay service charges during the period 25th December 2006 to 23rd June 2008.
2. The matter was transferred from Uxbridge County Court by order dated 7th January 2009.
3. The application relates to 111 Willow Tree Lane Hayes Middlesex UB4 9BL (the property) which is one of 15 flats in a development on Willow Tree Lane. The property is a 2 bed roomed ground floor flat.
4. The Applicant, Southern Land Securities Limited is the lessor of the property. It is represented in this matter by Hamilton King Management Limited, the managing agents for the property. Mr Barry Taube, a director of Hamilton King and Ms Debbie Toson, a property manager with Hamilton King appeared and gave evidence on behalf of the Applicant.
5. The Respondent, Ms Sheeba, is the lessee of the property. She acquired the leasehold interest in 1997. She appeared and represented herself at the hearing. She was ably assisted by two students with BPP Law School, Ms Hannah Farooq and Ms Nadia Dellal.

DETERMINATION

Background

6. The hearing of this application took place on 30th April 2010. The Tribunal heard evidence from Mr Taube, Ms Toson and Ms Sheeba. The salient evidence is dealt with below under the relevant headings.
7. The Tribunal established that the history of the proceedings was as follows: Hamilton King took over responsibility for the management of the property on 22nd January 2007. They issued service charge demands in April 2007. Following non-payment by the Respondent and the issuing of reminders, they issued proceedings in the County Court in October 2007 for £1,167.87p. In July 2008 they issued a second claim in the County Court which consolidated the previous claim with further outstanding arrears. The claim (less court fee and costs) totalled £2,182.62 p. The matter was transferred to the LVT in January 2009.
8. The County Court claim was for the service charge period December 25th 2007 to June 23rd 2008. It included monies for ground rent which falls outside of the jurisdiction of the LVT. The total claim which falls within the jurisdiction of the LVT was agreed by the parties at the hearing as £2,001.42p.
9. The total claim was made up of charges demanded during the service charge year December 25th 2006 and December 24th 2007 under the heads of
 - a. Repairs and general maintenance
 - b. Electricity supply
 - c. Cleaning and/or gardening
 - d. Refuse and/or containers
 - e. Accountancy
 - f. Buildings Insurance
 - g. Management fees
 - h. Legal fees
10. It also included a claim of £216.55 p for arrears of service charges brought forward from the previous managing agents.
11. During the course of the hearing the Respondent agreed that the following items were both payable and reasonably charged
 - a. Electricity costs
 - b. Accountancy fees
 - c. Refuse and/or containers
 - d. Buildings insurance

12. The issues which require determination by the Tribunal are therefore limited to the payability of and reasonableness of
- a. The brought forward arrears from the previous managing agents
 - b. Repairs and general maintenance
 - c. Gardening and/or cleaning
 - d. Management fees
 - e. Legal fees
13. It would have been helpful to the Tribunal if the Managing Agents had produced complete copies of its service charge demands which demonstrated that the Applicant had complied with statutory requirements. However the Tribunal considered that the Managing Agents had adequate professional procedures and (in the absence of any evidence from Ms Sheeba to the contrary) accepted evidence from Mr Taube that service charge demands had been made in the correct form.

The brought forward arrears from the previous managing agents

14. The Applicant sought to claim £216.55 of arrears of service charges accrued during the period of management of the previous managing agents. Its representatives were unable to particularise the services provided and therefore were unable to demonstrate that the amounts demanded were either payable or reasonable. The Tribunal therefore **DETERMINED** that the Applicant was not entitled to £216.55 as part of its claim.

Repairs and general maintenance

15. Ms Sheeba was concerned that the repair work and general maintenance for which service charge demands had been made had either not been carried out, or that it had not been carried out to a reasonable standard, or that the charges made for the work were excessive.
16. The Applicant produced invoices (at pages 45 – 50 of its bundle) in connection with general repairs and maintenance carried out in the relevant period. Mr Taube demonstrated that the total of the invoices presented in the bundle equalled the amount claimed under this service charge head. He also gave evidence that the works were necessary and that the charges were reasonable.
17. The Tribunal carefully considered the evidence of the parties. Drawing on its own expertise, and taking into account the professionalism of the managing agents (including the obtaining of relevant quotations for proposed works) and the relatively low level of charges for repairs and maintenance for the period in question, it

DETERMINED that the service charges demanded for repair work and general maintenance were payable and reasonable.

Gardening and/or cleaning

18. Ms Sheeba expressed concerns that the demands made for the gardening costs at the property were excessive. She argued that grass cutting could be carried out at a cheaper rate.
19. Mr Taube produced invoices from the gardening firm that the Applicant had contracted to carry out the grass cutting (see pages 61 – 64 of the bundle). Unfortunately neither Mr Taube nor Ms Toson were able to be specific about the gardening work that was carried out during 2007 and the Tribunal found it difficult to work out from the invoices the scale of the work carried out.
20. Nonetheless the sums charged appeared reasonable and the Tribunal **DETERMINED** that the charges for gardening were payable by Ms Sheeba.

Management fees

21. Ms Sheeba considered that the management fees charged by Hamilton King were excessive. She was not able to provide comparative figures, in part because she did not know the range of services that the managing agents delivered.
22. Mr Taube did not have a copy of the contract between the Applicant and the managing agents. He gave evidence to the Tribunal of the range of services provided. Ms Toson informed the Tribunal that she carried out two site visits annually, that the management of the property was made more complicated by the number of Buy-to Let properties in the development. When asked by the Tribunal to rate the complexity of managing the development on a scale of 1 – 10 Ms Toson suggested a level of four. This was accepted as a fair and reasonable assessment.
23. Drawing on its own expertise the Tribunal considered that the charges made by the managing agents for their services for the period under consideration were within the industry norm for the complexity of services provided. It therefore **DETERMINED** that the management fees for the period of the claim are payable by Ms Sheeba.

Legal fees

24. The Applicant's claim includes two sums for the instruction of solicitors. One sum relates to a charge for the managing agents to instruct solicitors; the second sum relates to a charge for the Applicant instructing solicitors.

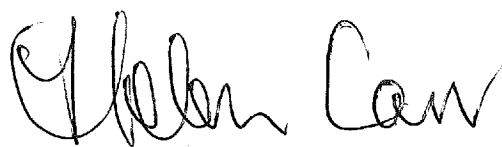
25. The Tribunal were referred by Mr Taube to clause 3 (9) of the lease in order to demonstrate that Ms Sheeba was liable for these sums.
26. The clause enables the Lessor to recover legal fees incurred in or in contemplation of proceedings under sections 146 and 147 of the Law of Property Act. In the opinion of the Tribunal this clause does not extend to legal costs in connection with service charge arrears. It therefore DETERMINES that Ms Sheeba is not liable for the service charges demanded in connection with legal fees.
27. The claim also included an interim service charge for the period 25th December 2007 to 23rd June 2008. This amount is based on an estimate of expenditure based upon previous years. The Tribunal DETERMINED that the amount demanded is reasonable.

Additional application

28. Mr Taube, on behalf of the Applicant, gave an undertaking that the costs of the hearing would not be placed on the service charge account. The Tribunal is grateful for that clarification. However Mr Taube made an application during the course of the hearing that the Applicant be reimbursed the hearing fee in this matter. The basis of the application was that Ms Sheeba has paid no service charges since Hamilton King took over the management of the property.
29. Whilst the Tribunal takes note of this, and takes this opportunity to remind Ms Sheeba that she has an obligation to pay those service charges for which she is liable and which are reasonable, it also considers that a hearing of this matter was necessary in view of the determination that the Tribunal has made on the legal fees and the carry-over of previous fees.
30. Moreover nothing in the demeanour of Mr Taube or Ms Toson suggested a willingness to compromise with Ms Sheeba on any matter. Indeed the Tribunal is concerned that the manner in which they dealt with Ms Sheeba could be considered to be unnecessarily aggressive notwithstanding her failure to pay any service charges during the period in question. They are reminded that they are the professionals in this matter and it is for them to understand and attempt to dissipate the frustration and confusion that many lessees feel when struggling to understand their obligation to pay service charges. The Tribunal considers that overall the managing agents provide a good service to both the lessor and the lessee in this matter and it would be a matter for regret if that service was undermined by inappropriate personal feelings.
31. The Tribunal therefore DETERMINES that the application for reimbursement of the hearing fee fails.

Signed

Helen Carr

A handwritten signature in black ink, appearing to read 'Helen Carr'. The signature is written in a cursive style with a large initial 'H'.

Dated

30th April 2010