

8889



**Residential  
Property**  
TRIBUNAL SERVICE

**HM COURTS AND TRIBUNALS SERVICE**

**LONDON RENT ASSESSMENT PANEL  
LEASEHOLD VALUATION TRIBUNAL**

**Case Reference LON/00BE/LSC/2013/0249**

**DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION UNDER S27A  
OF THE LANDLORD AND TENANT ACT 1985**

Applicants: J Redson (Flat 1)  
C Tyler and J Amabilino (Flat 2)  
G Di Nobile (Flat 3)

Respondent: Gateway Property Management Ltd

Premises: Flats 1-3 , 3 Valmar Road London SE5 9NG

Date of Applications: 2 April 2013

Leasehold Valuation Tribunal: Mrs F J Silverman Dip Fr LLM  
Mr P Tobin FRICS

Date of paper determination : 11 June 2013

P888

### Decision

The Tribunal declares that the demand for estimated service charges and management charges served by the Respondent for the year 2013 is reasonable and payable in full by the Applicants in the proportions as specified in their individual leases.

1 By an application dated 2 April 2013 the Applicants, who are the tenants of the premises known as Flats 1-3, 3 Valmar Road London SE5 9NG applied to the Tribunal for a determination the reasonableness of service charges in respect of a demand made to them by the Respondent, the landlord's managing agent, for £480 in respect of service charges to be incurred in the year 2013 and a management fee of £720 covering the same period. These represent the total sums demanded for the three flats, the individual tenant's proportion of which is stated in their respective leases.

2 Directions were issued by the Tribunal on 7 May 2013 at which time it was ordered that the Tribunal's consideration of this matter should proceed by way of a paper determination.

3 The Tribunal did not consider it necessary to inspect the property but in making its decision considered the statements of case and other documentation contained in the bundles presented by the parties to the Tribunal.

4 The flats in question form part of a building which was renovated in 2011 and the leases were granted at that time. It is therefore the Applicants' contention that little maintenance work should be required at the present time, particularly in view of the fact that there is no outside space, the cleaning of the common parts is undertaken by the Applicants and issues relating to ground rent and insurance are not handled by the Respondents. They also asserted that the management fee was too high.

5 The Applicants had written to the Respondent seeking clarification of the charges and pointing out that under the leases the service charge was payable in two tranches and not as a single annual payment. The Respondent accepted that the service charge was payable in two instalments and adjusted their demands accordingly. However they failed to respond to the Applicant's request for an explanation of and breakdown of the sums demanded but instead issued letters to the Applicants threatening to sue for the non-payment.


6 The leases for the flats contain an obligation on the landlord (or his agent) to maintain the common parts of the property (Clauses 4.3.1 and 4.3.2) and for the tenants to pay a service charge to cover the cost of such maintenance and the landlord's management costs (Clause 2).

7 Clause 2 allows the landlord to demand service charge in advance of doing the works and for any underpayment by the tenants to be adjusted at the end of each service charge year. Similarly, any overpayment by a tenant emerging at the year's end is to be credited to that tenant's account.

8 The Tribunal considers that the sum of £480 for the maintenance for 2013 is reasonable and must therefore be paid by the Applicant tenants in the proportions specified in their respective leases. If this sum is the total budget for the building then it is clear that no major works are contemplated during this service charge period.

9 Similarly the Tribunal finds that the sum of £720 (including VAT) , which represents a sum of £200 plus VAT for each flat, is within the bands of reasonable charges currently levied by managing agents , as is indeed verified by the comparable estimates included in the tenants' own bundle of documents (page 43,44).

10 The Tribunal considers that this case could have been resolved without resort to legal action had the Respondents sent to each tenant a copy of their budget for the year 2013 showing what works they intended to do and at what estimated cost. Further, their failure to respond properly ( or in some cases at all) to the tenants' genuine queries appears to have caused additional aggravation and frustration for the Applicants. Despite this criticism the Tribunal has found in the Respondent's favour and therefore declines to order the re-imbusement of the Applicants' application fees.



Frances Silverman

Chairman

10 June 2013