

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference

: MAN/OOBY/LSC/2013/0001

Property

Flat 2, 15 Ivanhoe Road, Liverpool L17

8XE

:

:

:

:

•

Applicant

15 Ivanhoe Road Management

Company Limited

Representative

None

Respondent

John Cosgrove

Representative

None

Type of Application

Application under section 27A (and

19) of the Landlord and Tenant Act

1985

Tribunal Members

G. C. Freeman

D. Bailey FRICS

Date and venue of

Hearing

None

Date of Decision

31 July 2013

DECISION

The service charge charged by the Applicant amounting to £60.00 per month from December 2010 to January 2013 inclusive is fair and reasonable and is payable in respect of the Property.

Application

1. The Applicant seeks a determination of the liability to pay and reasonableness of service charges for the above property where costs have been incurred, or are about to be incurred, for the period covering December 2010 to November 2011 and from March 2012 to January 2013. The Applicant named the Respondent in its application as the tenant.

2. The Applicant also applied for a similar determination for the years from January 2013 to January 2016.

Pre-Trial Review, Inspection and Hearing

- 3. The Respondent did not respond to the application. There was produced to the Tribunal a letter from the Insolvency Service to the Applicant dated 31st August 2012 confirming the Respondent was adjudged bankrupt on 16th July 2012 and another letter dated 27th March 2013 to the Tribunal confirming the Trustee in Bankruptcy had no interest in the Property, it having been repossessed by Bank of Scotland on 24th January 2013. A pretrial review was held on 19th March 2013. No-one attended. The Tribunal directed that the matter was to be dealt with by a paper determination unless any party applied for a hearing within 21 days of the directions. No such application was made.
- 4. The Tribunal inspected the Property externally on the day of the determination. It consists of a ground floor flat in a residential neighbourhood of outer Liverpool, close to shops and other facilities.

The Lease

5. The Applicant produced a copy of the Lease of the Property. It is dated 25th November 2002 and is made between E. B. Property Developers Limited of the one part and Marjorie Nicholls Bendon of the other part. It grants the term of 125 years from the date of the lease. A rent of £50 per year is reserved. The Respondent is the registered proprietor of the property registered at the Land Registry under Title Number MS474315. The Tribunal is satisfied that the lease entitles the owner of the freehold reversion to charge a service charge to cover the outgoings of repair and maintenance stated in the Lease. The Applicant is entitled to the freehold reversion registered at the Land Registry under Title Number MS246320.

The Tribunal's Conclusions

- 6. The Applicant provided written submissions. No submissions were received from any other party. In the absence of these, the Tribunal concluded that the service charge charged by the Applicant amounting to £60.00 per month during the period in question is fair and reasonable. The Tribunal does point out, however, that no financial statements were produced by the Applicant showing the sums actually expended, apportioned between the respective flats in the development, for the service charge years, with the shortfall or surplus paid by each flat owner for that period. The Tribunal did not accept the rounded figures for outgoings shown in the statements produced to them as the actual figures for expenditure.
- 7. The Tribunal decline to make any order as to the reasonableness of the service charge for the period from January 2013 to December 2016, as the Tribunal considers that this period is too far into the future to predict with

certainty what sums will be necessary to cover repairs and maintenance. It is open to any party to make a subsequent application for this period, bearing in mind the Tribunal's comments at paragraph 6 above.

© CROWN COPYRIGHT 2013