



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

Case Reference : CHI/21UC/LIS/2019/0018

Property : Flats 21 and 46 Pacific Heights South and Flat 41 Pacific Heights North, Golden Gate Way Sovereign Harbour, Eastbourne, BN23 5PT

Applicant : P.H. 2002 Sovereign Management Limited

Representative : Sussex Legal Consultants

Respondents : Jennifer Chong (also known as Jennifer Wong and Jennifer Welby)

Representative : N/A

Type of Application: Section 27 A of the Landlord and Tenant Act 1985

Tribunal Members : Judge S Lal

Date and venue of Hearing : 9 July 2019

Date of Decision : 9 July 2019

DECISION

Application

1. The matter was subject to Directions issued on 13th March 2019.
2. The Tribunal has been provided with a Bundle of 312 pages which it has read. The Bundle was prepared by the Applicant only. It contained within it the relevant lease. No written response has been received from the Respondent in accordance with the above Directions.

The Issue

3. By an application dated 25th February 2019, the Applicant seeks a determination under section 27A of the Landlord and Tenant Act 1985 as to whether service charges are reasonable and payable for the years 2013, 2014, 2015, 2016, 2017 and 2018. There is also claimed an interest element.

The Case for the Applicant

4. The Applicant is the Management Company under the leases of the Property. The Respondent owns three leasehold properties, namely flat 21 of Pacific Heights South, flat 46 of Pacific Heights South and flat 41 of Pacific Heights North (together the “Respondent’s Leases”). The Applicant claims that the Respondent has failed to comply with her obligations to pay service charge pursuant to clause 3.2 and Part II of the Fourth Schedule to the Respondent’s Leases on the dates specified therein. The Applicant claims that the amount outstanding is £25,181.70 plus £9,238.68 interest in respect of the three flats. Interest is also continuing to accrue at the rate of £10.92 per day on the amounts outstanding on the three flats.
5. In support of the application, the Applicant has provided a witness statement from Mr Steven Paul Holt of Sussex Legal Consultants. Mr Holt has confirmed that service charge demands were sent out to the Respondent in respect of each of the three flats by Hazelvine, a company contracted by the Applicant to manage the day to day business of the estate. Regular demands for payment were sent in accordance with the terms of the Respondent’s Leases but no payments have been made by the Respondent in respect of the years 2013 to 2018.

The Respondent’s Case

6. It appears that the Respondent has not sent the Tribunal or the Applicant any form statement setting out any items in dispute or any other form of reply to the Application.

The Tribunal’s Decision

7. In accordance with the terms of clause 3.2 of the Respondent’s Leases, the Respondent is obliged to “*observe and perform the obligations set out in Part II of the Fourth Schedule*”. Part II of the Fourth Schedule obliges the Respondent to pay “*the proportion of the Maintenance Charge which the Company shall in relation to the Estate reasonably and properly incur in each Maintenance Yearand on the 1st January and 1st July in each Maintenance Year or within 21 days of the Company requiring payment of the samethe Interim Maintenance Charge*”.
8. The prescribed rate for default interest under the Respondent’s Leases is 15% or 4% over Barclays base rate, whichever is greater and can be calculated from day to day.

9. It is clear from the paperwork that the Respondent has not honoured her service charge obligations for a number of years. There is nothing in the paperwork to indicate that the amounts charged are in any way unreasonable or that the service charge demands were not served properly. The Tribunal therefore determines that the Respondent is in breach of clause 3.2 of the Respondent's Leases and is liable to pay to the Applicant the outstanding amount of service charge referred to in clause 4 above, which is in the sum of £25,181.70.
10. In respect of the interest claimed which ought properly be described as an administration charge, the Tribunal only has jurisdiction to deal with variable service charges. In the instant case the interest rate is specified and therefore the Tribunal makes no formal order in respect of the interest element. In practical terms the interest element will be part of future County Court claim for the recovery of monies due.
11. The Tribunal makes no other order.
12. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office, which has been dealing with the case. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
13. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
14. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking

Judge S. Lal

Date 9 July 2019