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Residential
Property
TRIBUNAL SERVICE

**RESIDENTIAL PROPERTY TRIBUNAL SERVICE
LEASEHOLD VALUATION TRIBUNAL for the
LONDON RENT ASSESSMENT PANEL
LANDLORD AND TENANT ACT 1985**

LON/00AG/LSC/2007/0198

Premises: Flats A & B
55 Hatton Garden
London EC1N 8HP

Applicant: Quartz Management Co

Respondent: Beechwood Ltd

Represented by: Ingram Winter Green

Tribunal: Mr NK Nicol

Date of Decision: 21/08/07

1. The Applicant is a management company owned by the leaseholders of seven of the flats at 55 Hatton Garden. The Respondent company is the leaseholder of the other two flats.
2. The Applicant has applied for a determination as to the payability of service charges levied by them against the Respondent as set out in their application in respect of each flat under s.27A of the Landlord and Tenant Act 1985. The Tribunal held a pre-trial review and issued directions on 22nd June 2007, including for this matter to be determined on the papers. Each of the parties has sent in written submissions.
3. The Respondent's argument is simple and brief. They have, through their solicitors, stated that they admit the charges in their entirety, from which they argue that the Tribunal has no jurisdiction under s.27A(4)(a).
4. However, the Respondent's reading of s.27A is incorrect. The Tribunal's jurisdiction is not limited to liability but extends to payability. The Respondent has withheld payment of the service charges on the basis that they have a set-off and counterclaim for alleged breaches of covenants to repair. Service charges would not be payable to the extent that there is a set-off. Therefore, the Tribunal has jurisdiction to decide the Respondent's counterclaim to the extent that it amounts to a set-off.
5. In fact, despite ample opportunity, the Respondent has yet to plead their counterclaim, in this or any other jurisdiction. Therefore, this Tribunal must proceed on the basis of the available material. The Respondent having stated that they have no other objection to the service charges, the Tribunal determines that the entire amount claimed is payable.
6. The enforcement of the Tribunal's determination is now a matter for the county court but the Tribunal's understanding is that this is a free-standing judgment, enforceable in its own right, without reference to any counterclaim the Respondent may have. The Tribunal therefore expects the Respondent to comply with this determination forthwith and to pursue any claim for breach of covenant separately.

Chairman..... *N.K. Nicol*

**The Quartz Management Company Limited
Flat J, 55 Hatton Garden, London, EC1N 8HP**

Tel: 07738 555 003

21st August 2007

Ms Iman Othman-Ahmed
Residential Property Tribunal Service
London Rent Assessment Panel
10 Alfred Place
London
WC1R 7LR

Your Ref: LON/00AG/LSC/2007/0198

Dear Ms Othman-Ahmed,

Ref : Flat A and B, 55 Hatton garden, London, Ec1N 8HP

Further to our telephone conversation a minute ago, I am writing in reponse to a letter lodged by the respondent dated 17th August 2007. Please note that I only received this today as they posted it to me on the 20th August – which in itself is appalling.

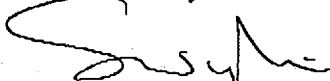
I feel it is only fair to have a chance to respond to their letter.

Their letter of the 17th clouds the issue at hand, as I am asking for the LVT to determine whether the landlord has undertaken the obligations of maintenance, hence making service charges payable. Even though the respondent says they have no issue with the service charge levels, they are still not paying their service charges, because of claims that they claim the landlord has not satisfied the obligations under the Lease.

I hope this is clear and the LVT can make judgement on whether we have satisfied our maintenance obligations under the Lease and hence the service charges should be payable.

I have kept this brief as there is a shortage of time, but I hope it gets the point across. Many thanks for considering this late letter, buit I had no choice given the tactics employed by the respondent.

Yours sincerely,



Stephen Fraser Wylie
Company Secretary.