

Residential Property TRIBUNAL SERVICE

# **RESIDENTIAL PROPERTY TRIBUNAL SERVICE DECISION BY LEASEHOLD VALUATION TRIBUNAL for the LONDON RENT ASSESSMENT PANEL**

LANDLORD AND TENANT ACT 1985 Sections 27A(1)

#### Ref :LON/00BK/LSC/2006/0357

Address: Flat 47 Cheylesmore House, Ebury Bridge Road, London SW1W 8QZ

Applicant: Cheylesmore House Residents Association Company Limited

Respondent: Angela Margaret Westmacott

# Background

1. On 26 September 2006 the Applicant applied to the Leasehold Valuation Tribunal for determination of the reasonableness of and liability to pay service charges for the service charge years ending 25 March 2006, and 25 March 2007 (the latter year being in respect of the budgeted figures to be incurred for that year).

2. On 7 November 2006 the Tribunal held a Pre-Trial Review at which the Applicant was represented by Mr S Marcovitch of Benson Mazure & Co, Solicitors, and the Respondent by Mr W G C Ward. The Tribunal's standard Directions were issued setting the case down for determination on the paper track, in default of any request for an oral hearing, on the basis that the Respondent's representative had indicated that the service charges in question were not disputed and that a schedule of payments to clear the arrears could be agreed.

### **The Paper Track Determination**

3. On 9 January 2007 the Tribunal duly considered the case as evidenced

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by the papers on the file.

4. The application disclosed that the subject property was a 2 bedroom flat subject to a Lease dated 2 October 1989 made between (1) Westminster City Council (2), R Mansell (Homes) Limited, (3) the Applicant and (4) Mary Davis. The property was demised for a term of 125 days less the last 3 days from 29 September 1988 at a rent of £10 p.a. The Lease had been vested in the Respondent since 21 February 2000.

#### The Applicant's Case

5. On behalf of the Applicant, Mr T W S Burr, a Director of Parkgate-Aspen Limited, the managing agents of the subject property, had submitted a written statement in which he said that he had managed the block for a period of 14 years and that the Applicant was responsible for maintaining the external structure and the common parts and was authorised to employ a managing agent. Each Lessee was responsible for the reimbursement of a set proportion of the maintenance costs. He said that the annual maintenance costs were set by budget and that he had supplied copies of both the draft accounts for the year ending 25 March 2006 and the budget figures for the year ending 25 March 2007.

6. Mr Burr's statement dated 8 November 2006 indicated that

notwithstanding application for payment the service charges for the subject property were now £2,480.29 in arrearS, despite the fact that at the Pre-Trial Review the Respondent had confirmed that the reasonableness of the service charge was not in dispute but that the reasons for non-payment related to cash flow problems as a result of an incident of identity theft in 2004. The Respondent had stated that payment would shortly be forthcoming either from the Banking Ombudsman or through a loan which had been delayed due to poor credit ratings as a result of the identity theft. In the circumstances a determination was required in order to protect the Applicant. He added that he had to date not received any complaints from any other Lessees regarding the reasonableness of the service charges, and in all the circumstances requested that the Tribunal should determine that, in the absence of any specific complaint from the Respondent or any other Lessee, the service charges were reasonable.

#### The Respondent's case

7. On behalf of the Respondent, Mr W G C Ward had filed a letter dated 29 November 2007 stating that had the identity fraud not occurred the situation in which the service charges had remained unpaid would not have occurred. He stated that arrangements had been made to pay regular instalments until the loan was obtained which would defray the entire sum owed. He estimated that the consequences of the identity fraud would not be finally addressed before the spring of 2007. The Tribunal examined the submitted accounts and the copy of the Lease which were both on the file and noted that the obligation of the Respondent to pay the service charges duly arose from clause 2 (1) and clause 2(20) of the Lease and that the sums recorded in the accounts for the year ending 25 March 2006 and the budget for the year ending 25 March 2007 as submitted by the Applicant had been accepted as reasonable.

# Decision

8. Following consideration of the evidence the Tribunal determined that the sums claimed are duly payable, there being no outstanding dispute within the Tribunal's jurisdiction.

Tribunal: Mrs F R Burton LLB LLM MA Mrs J McGrandle BSc (Est Man) MRICS MRTPI

Chairman: F. R. Bunts

Dated: 9/01/07