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LONDON RENT ASSESSMENT PANEL

# LEASEHOLD VALUATION TRIBUNAL

Paragraph 3 of Schedule 12 to the Commonhold and Leasehold Reform Act 2012

LVT Case Reference: LON/00AM/LSC/2012/0273

Transferred from Clerkenwell and Shoreditch County Court (Claim No. 2BE00380)

Premises: 24, Walnut Court, Woodmill Road, London E59GX

Claimant:	Altius One (Hackney) Management Company Limited	
Representative:	PDC Legal – Solicitors (PDC)	
Defendant:	Amir Hussain Mashkur	
	Mr A.J.ENGEL M.A. (Hons.) – Chairman Mr M.Taylor F.R.I.C.S. Mr P. Clabburn	
Date of Decisions:	17 <sup>th</sup> September 2012	- 11
DE	CISIONS	

- A. The Defendant is liable to pay to the Claimant £1,173-13 for service charges for 2011 in respect of the Premises.
- B. The Defendant is not liable to pay any amount in respect of the administration charges claimed by the Claimant.

### REASONS

## **The Parties**

- 1. The Defendant is the (long) lessee of the Premises.
- 2. The Claimant is a party to the Lease under which the Defendant is liable to pay service charges (referred to as "Maintenance Charges" in the Lease) to the Claimant. The service charge year equates with the calendar year.

## The Claim

- 3. In February 2012, the Claimant commenced proceedings in the County Court claiming services charges in the sum of £1,173 and administration charges in the sum of £240.
- 4. The Defendant lodged a Defence to the Claim and on 4<sup>th</sup> April 2012, the County Court Judge ordered that the matter be transferred to the Leasehold Valuation Tribunal (LVT).

### Directions

5. Directions were given by Mr S. Shaw (a Chairman of the LVT) on 26<sup>th</sup> June 2012.

#### Hearing

6. An oral hearing took place before the Tribunal on 17<sup>th</sup> September 2012, when the Claimant was represented by Mr Purkis of counsel. The Respondent did not appear and was not represented.

### Evidence

7. The Tribunal had before it a Bundle of documents prepared by PDC and various emails were produced to the Tribunal at or shortly before the hearing. The page numbers (below) refer to pages in the Bundle.

### **Alleged Agreement**

8. Mr Purkis submitted that the matter had been agreed by the parties but the Tribunal determined that no agreement had been reached and proceeded to consider the claim.

## **Service Charges**

- 9. The Claimant produced (Pages 8, 35-36)) documents which showed how the claim for £1,173 was calculated together with the service charge account for 2011 for all the premises in the same service charge pool as the subject premises (Page 80).
- 10.The Defence lodged by the Defendant in the County Court does not indicate which items of service charges are disputed and the Defendant has failed to comply with Direction 6 of the Directions of 26<sup>th</sup> June 2012 which required that he should identify exactly which service charges he is disputing.
- 11.In the recent case of <u>London Borough of Havering v George Inglis Macdonald</u> [2012] UKUT 154 (LC), the Upper Tribunal (Judge Walden-Smith) stated, at Paragraph 28:-

"Once a tenant establishes a prima facie case by identifying the item of expenditure complained of and the general nature (but not the evidence) of the case it will be for the landlord to establish the reasonableness of the charge."

- 12. In this case, the Defendant has failed to identify the items in dispute and the service charges appear to us to be within the parameters of reasonableness.
- 13. In these circumstances, we find that the sum claimed (£1,173) is payable by the Defendant to the Claimant for the 2011 service charge year in respect of the premises.

## **Administration Charges**

14. Administration Charges are claimed as follows:-

Land Registry Search Fee:-£18Administration Fee:-£42

Debt Collection Charge:- £180.

- 15. These charges were identified by the Defendant in the Defence and put in issue.
- 16. These charges are claimed on the basis that they were incurred as a result of nonpayment by the Defendant of 2011 services charges.
- 17. Mr Purkis referred us to Paragraph 12 of the Third Schedule of the Lease whereby the Defendant covenanted to pay all expenses incurred .....in recovery of any

arrears of Maintenance Charge.

- 18. However, the demands for these charges (Pages 69, 70 and 71) are dated 23rd August 2011 and demand payment by 19<sup>th</sup> September 2011 whereas there is no provision in the Lease requiring payment prior to the end of the service charge year.
- 19. Accordingly, the demands were premature and the administration charges claimed are not payable.
- 20. In any event, there is no invoice produced from the Debt Collection agency contrary to Direction 11 (e) of the Directions on 26<sup>th</sup> June 2012.
- 21. Further, on the evidence before us, we are not persuaded that the charge of £180 for Debt Collection is reasonable although the other charges (£18 and £42) are, in our view, reasonable.

SIGNED:

A.J.Km.

(A.J.ENGEL - Chairman)