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H M COURTS & TRIBUNALS SERVICE LEASEHOLD VALUATION TRIBUNAL

Case Number

CAM/22UN/LSC/2013/0015

Property

Flat 2, Seaview Ebor Lodge,

7 Carnarvon Road, Clacton-on-Sea, Essex

Applicant

: Regisport Limited

Respondent

Miss E J Wright

Date of Referral

22 January 2013

Date of Hearing

14 June 2013

Appearances

For the Applicant:

Miss L Bidgeon (Client Liason Manager)
Miss D Harvey (Property Manager)

For the Respondent:

Mr Farmer (Respondent's Managing Agent)

Mr Graham Wilson (Chair)

Tribunal

Mr Stephen Moll FRICS

Mr David Cox

DETERMINATION

The Tribunal determined as follows:

- (1) That the service charge for the service charge year 2011 to 2012 be reduced to £149.70 and for the year 2012 to 2013 to £322.90.
- (2) The administration charges referred to in the Particulars of Claim be reduced to a total of £135.
- (3) The balance thus outstanding is £607.60.
- (4) The case is transferred back to the County Court.

The Application

- 1. By an order dated 22 January 2013 the County Court had transferred the case to the Leasehold Valuation Tribunal for a Determination.
- 2. The Tribunal's jurisdiction is limited to the determination of service (and other) charges.
- 3. It was clear from the County Court proceedings that the Respondent was refusing to pay the service charges because of the Applicant's alleged failure to maintain the main structure of the property. The Landlord's failure to maintain the roof and a flank wall had led, it was said, to a significant damp problem.
- 4. Following the referral, the Tribunal had made Directions designed primarily to get the Respondent to identify the particular service charge items that she challenged. She did not file a Statement as directed.
- 5. By the time of the hearing, it had emerged that the Respondent's case was that the Management Charges (a service charge item) were not warranted because the property was not effectively managed. The Applicant rejected this suggestion.

The Inspection

- 6. The inspection took place before the hearing in the presence of the parties' representatives.
- 7. The property was an early twentieth century semi-detached house divided into four flats. Externally, the property was in average/poor decorative repair and condition. The decorative condition of the dormer windows was particularly poor. The guttering to front and rear was defective. The chimney stack render had blown and was partly missing. The forecourt and side passage were neglected, weeds having been allowed to grow.

The northern wall at the rear of the property was, at first floor level, concealed from view.

The roof above, appeared, however, to be a potential source of the damp complained of.

Internally, the common parts were in average condition. There was, though, a defective handrail and, on the first floor landing; a number of old fire extinguishers (of doubtful effectiveness) were standing in the corner.

It was noted that the rear room of the property had recently been decorated – where the damp was said to have been present. It appeared that some kind of ventilation system was in the course of installation, a hole having been made through the rear wall.

The Hearing

- 8. The Respondent's case was presented by Mr Farmer. The Respondent had produced a report in letter form from a Mr Long, a chartered surveyor. He had identified about twelve examples of want of repair, and had noted high damp readings in the room described above. Mr Farmer agreed that the Respondent's case was that the condition of the property spoke for itself. The flats were poorly managed and did not entitle the Applicant to demand the management fees it claimed.
- 9. The Applicant's case could be summarised equally shortly. The majority of the defects, including the damp problem were acknowledged to exist. Miss Bidgeon, on the management company's behalf, pointed out that management did not begin and end with keeping a property in repair. It had several "back office" functions to perform.
- 10. The Respondent invited the Tribunal to disallow the "Administration Charges" referred to in the Particulars of Claim.

Decision

11. The Tribunal's inspection did not lead it to conclude that the property was well-managed. Its view was confirmed, to the extent that that was necessary, by the evidence of Mr Long. The Tribunal was prepared to admit and to accept Mr Long's report, even though it did not contain the now conventional declaration of impartiality.

The disrepair that the Tribunal had observed was, in its view, evidence of poor management.

- 12. The Tribunal determined that the management fees for the service charge years in question should be reduced to £50 and £80 respectively. The increase for 2012 to 2013 was warranted because it did appear that the damp problem was being dealt with (indeed as recently as the week before the hearing).
- 13. As to the claim for administration charges, these were "variable administration charges" not being charges specified in the Lease (see Schedule 11 Part of The Commonhold and Leasehold Reform Act 2002). Such charges are payable only to the extent that they are reasonable. The charges were incurred by the Applicant, it explained, for writing letters before claim. The Tribunal decided that the charge of £60 was reasonable, but the charge of £150 was not, and reduced it to £75. These charges were, it decided, warranted because, in the event, the larger proportion of the service charges claimed were recoverable.

Graham Wilson Chair

Date: 27th June 2013