





LONDON RENT ASSESSMENT PANEL

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION UNDER SECTION 27A OF THE LANDLORD AND TENANT ACT 1985 ("The Act")

Case Reference:

LON/00AE/LSC/2013/0283

Applicants:

William Toong

Respondent:

Genesis Housing Association

Property:

17C Charteris Road London NW6 7EU

Representation:

Each party was self represented.

The Tribunal:

C Norman FRICS

C Gowman BSc MCIEH

Date of Decision

5 June 2013

DETERMINATION BY WRITTEN REPRESENTATIONS WITHOUT A HEARING

Determination

1. The Tribunal finds that the annual management fee of £120 is reasonable and payable.

The Application

- The Applicant seeks a determination as to the reasonableness and payability of his annual management fee.
- 3. The relevant legal provisions are given in the appendix below.
- Neither party requested a hearing and the matter was determined by written representations.

The Background

- 5. The application was made on 25 March 2013.
- 6. Directions were given on 19 April 2013.

the management of residential property is a skilled business. It involves considerable responsibility of the part of the managing agent including holding service charge funds on trust.

17. For the above reasons the Tribunal finds that the amount sought is reasonable and payable.

Charles Norman FRICS

Chairman 5 June 2013

Appendix

Section 18 of the 1985 Act provides:

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a [dwelling] as part of or in addition to the rent—
- (a) which is payable, directly or indirectly, for services, repairs, maintenance [, improvements] or insurance or the landlord's costs of management, and
- (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose—
- (a) "costs" includes overheads, and
- (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19 is as follows:

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period—
- (a) only to the extent that they are reasonably incurred, and
- (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard; and the amount payable shall be limited accordingly.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

By s.27A of the 1985 Act:

- (1) An application may be made to a leasehold valuation tribunal for a determination whether a service charge is payable and, if it is, as to—
- (a) the person by whom it is payable,
- (b) the person to whom it is payable,
- (c) the amount which is payable,
- (d) the date at or by which it is payable, and
- (e) the manner in which it is payable.