



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : LON/OOBB/LSC/2013/0453

Property : Navigation Court, 1 Galleons Road, London E16 2QL

Applicant : One Housing Group

Representative : Mr W Ahmed, Solicitor with One Housing Group
Mr M Saye, Assistant Director and
Mrs B Coster, Home Ownership Manager both with One Housing Group

Respondent : Abacus Land 3 (General Partner) Limited (1)
Galleons Approach Limited (2)
Galleons Approach Management Limited (3)

Representative : For Abacus - Mr S Armstrong of Counsel
For 2nd and 3rd Respondents – Mr A Dymond of Counsel with Mr David Hockley, Director of Management Company Services, managing agents for the 1st Respondent

Type of Application : Application under Section 27A of the Landlord and Tenant Act 1985

Tribunal Members : Tribunal Judge Dutton
Mr S F Mason BSc FRICS FCI Arb
Ms S Wilby

Date and venue of Hearing : 10 Alfred Place, London WC1E 7LR on Monday 23rd and Tuesday 24th June 2014

Date of Decision : 24th July 2014

DECISION

DECISION

The Tribunal makes the determinations as set out under the findings section of the decision. As a result the total reduction of the estate charge for the four years in dispute is £2,331.03

The Tribunal declines to make an order under Section 20C of the Landlord and Tenant Act 1985 for the reasons set out below.

BACKGROUND

1. This matter came before us for hearing on 23rd June 2014 with a listing period of four days. The application was made by One Housing Group (OHG) under Section 27A of the Landlord and Tenant Act 1985 (the Act). The Respondents to the application are Abacus Land 3 (General Partner Limited) (Abacus), Galleons Approach Limited (GAL) and Galleons Approach Management Limited (GAML).
2. It was not until August 2012 that Abacus became the immediate landlord to OHG. Prior to that it had been GAL who it appears operated through GAML insofar as the delivery of services was concerned.
3. We were required to determine the following issues: (a) the proportion of the overall estate services payable by the Applicant, (b) whether certain costs were reasonably incurred for the purposes of Section 19(1)(a) of the Act and (c) whether certain services were to a reasonable standard for the purposes of Section 19(1)(b) of the Act. There had been a decision made in 2011 under case reference LON/OOBB/LSC/2012/0587 finding that the estate service charge had been determined as being irrecoverable by OHG for the reasons stated therein.

INSPECTION

4. Prior to the commencement of the Hearing we inspected the development. The estate consists of a number of multi-storey blocks adjacent to the Royal Albert Dock in the London Borough of Newham. Having a nautical theme the blocks are named Navigation Court, Latitude Court, Ebb Court, Windward Court, Drift Court and Fathom Court. In addition, there are three smaller blocks we believe known as pods named the Galley, Helm and the Mast. In the middle of the estate is what was once a hotel called Galleons Place but is now a multi-purpose building housing we believe a gym, commercial premises and a restaurant/bar. There is also a children's play area.
5. Within the development are some 431 properties which include an estate agency and a convenience store.
6. Navigation Court is made up of 51 flats over seven floors. Twenty nine of those flats are demised on 125 year share ownership leases and the remaining 22 let

on assured tenancies. There is no dispute before us as to the block charges but merely, as we indicated above, the estate charge that is being sought from OHG.

7. We inspected the totality of the development. It is in effect divided into four sections. Looking at the property from Royal Albert Docks to the right hand side are Navigation Court, Ebb Court and Latitude Court. In the middle is Galleons Place and the children's play area and to the left hand side, Windward Court, Drift Court and Fathom Court. The three pods sit at the front of the development at the water's edge. There is a distinct difference between the presentation of those units to the left hand side (Windward Court etc) and those to the right hand side in which OHG's block Navigation Court is to be found. This manifests itself largely in the far better presentation of the cultivated areas to the left hand side of the development as opposed to the right hand side including Navigation Court. Indeed to the right hand side one section of garden area is bereft of any form of planting. At the time of our inspection the development was very quiet as there are no through roads and vehicular traffic is limited. The estate itself appeared to be in reasonable order; it was clean and reasonably well presented. We did not make any internal inspections.

HEARING

8. Prior to the hearing we were presented with three bundles of documents. From the Applicant we had the statements of case of all parties, copies of the appropriate leases and title details, a substantial Scott Schedule and correspondence. In a second bundle were invoices said to be relevant to the matters before us. A third bundle contained a witness statement of Miss Fatima Baba-Nota, Miss Jo Massey and Mr David Hockley. These were presented to us on the morning of the hearing. In addition, also on the morning of the hearing we received skeleton arguments from all parties, a copy of a plan showing the layout of the estate and a specimen of a service charge demand, which was of relevance insofar as it was necessary for us to consider the provisions of Section 20B in this case.
9. The Scott Schedule covered the years commencing 2006/07 through to 2009/10. In respect of the subsequent years, it was drawn to our attention by Mr Armstrong acting for Abacus that there appeared to be no complaints made in the documents before us and indeed no documentation in the bundles which would enable us to deal with the years 2011/12 and 13. Mr Armstrong reminded us that Abacus had not become involved in the development until 2012. Whilst accepted that they were now the relevant landlord, their involvement could only be from the date that they did become responsible. Mr Ahmed on behalf of OHG accepted that this was the case. In addition, the statements of case from the Applicants said little or nothing about the years 2010/11 onwards. Both Mr Armstrong and Mr Dymond indicated that they believed the matter could only proceed based on the four years covered by the Scott Schedule. After adjourning for a short period, we concluded that the appropriate way forward was to deal with the years up to 2009/10 but to adjourn the later years and to make further directions if OHG decided to pursue these later years. Accordingly we released Mr Armstrong and Abacus from any further involvement in the proceedings at this time. Their further involvement will be subject to OHG concluding what further steps, if any, need to be taken.

10. We indicated earlier in this decision that one of the matters that we were required to consider was the apportionment between the various blocks on the estate. With Management Company Services (MCS), through Mr Hockley, confirming that the apportionments, since MCS took over, had been incorrect, the dispute with regard to the appropriate apportionments fell away. We record that it is now accepted that OHG is responsible for 0.225% of the total estate service charges per unit. This meant that the dispute between the parties was somewhat reduced.
11. We started taking evidence by Mr Hockley by going through the Scott Schedule, which had been prepared by OHG. However, it soon became apparent that the Scott Schedule was unspecific in relation to service charges that were in dispute. It raised general issues and the matter was not helped by the fact that Mr Hockley was not involved in the management of the development until 2011. At the end of the first day of the Hearing, we asked OHG to go through the Scott Schedule to determine what questions they could realistically ask Mr Hockley and on the morning of 24th June advised OHG that it was for them to present the case in the manner that they wished, which they agreed.
12. Questioning of Mr Hockley initially concentrated on the VAT rate for electricity which appeared for some years to be 17½% when it was suggested it should have only been 5%. Mr Hockley was of the view that this had been corrected in the 2008 accounts where a credit of £2,850 is shown. Mr Saye, who together with Mr Ahmed presented the case on behalf of OHG, said that they would carry out a calculation to see whether the refund aptly reflected the change in the VAT rate.
13. The question of the accountancy charges was raised, the issue being that apparently there were no invoices to support the figures. In addition OHG disputed the interest charges and the bank charges on the basis that they did not consider the lease allowed the recovery of same. Concerns were raised with regard to the CCTV and it was accepted by Mr Hockley that they did have some issues with some of the cameras and also with one or two with the roadway lights. It was confirmed, however, insofar as Mr Hockley was concerned that the CCTV was now fully operational, it having had a major overhaul he thought in 2012. Concern was also raised in respect of the lack of key fobs to enable residents of Navigation Court to have proper access to the communal garden area and it seems that this had been an ongoing problem.
14. It was during this evidence taking that OHG confirmed that for the purposes of these proceedings the only items of specific expenditure that they were unhappy with was the interest and bank charges and the VAT on the electricity account. Save for that they did not challenge the quantum of the charges, except insofar as the standard of the services may have impacted upon the cost, which we will return to later in this decision. This was of great assistance in cutting short the Hearing from the 3½ days originally listed to in effect not much more than a day.
15. Another issue ventilated was the question of impact of Section 20B on the first year accounts in 2006/07. It was suggested, without any evidence on behalf of OHG, that costs had been incurred 18 months before any demand had been

repaid. To rebut this Mr Dymond produced a copy of a statement in respect of a flat at 101 Navigation Court which appeared to show demands for service charges being made in July of 2006 for the period 17th December 2005 onwards and that payments were made in respect of service charges in November and December of 2006.

16. OHG called Mrs Coster who had submitted a witness statement and is the Home Ownership Advisor with the Citystyle department of OHG, her role being to manage Navigation Court on a day to day basis. We noted the contents of her witness statement and in her oral evidence she told us that the residents at the development had formed an association and that on their behalf, indeed with them, she had tried to meet with the previous managing agents, Trinity, but without much success. The residents of Navigation Court felt that they were not receiving the same service as the rest of the development and this had been raised in a number of emails. In particular they were unhappy about the gardening, estate management, CCTV and lighting. These had been historical problems and had not been resolved until MSC took over the management when she accepted matters had improved. She herself had started in 2009 replacing James Kennedy who had been in charge of the management of the estate prior to her involvement.
17. We were told that there had been a suspension of services by Trinity and a letter was produced dated 27th May 2010 from Marc Littleworth the Regional Estate Manager for Trinity indicating that services related to grounds maintenance, internal cleaning, window cleaning and general repairs would be put on hold as there were no funds in the account to enable these costs to be incurred. It appears, however, that in fact these services had stopped almost a year before then and it was disputed as to whether that information had been conveyed to OHG at the time. Mr Saye thought the discontinuance of services reflected Trinity's poor management and therefore failure to recover monies in accordance with the lease, which went to the quantum of the management charges. It was, however, accepted that the accounts for this period showed the reduction in the services provided and the reduced costs.
18. Mrs Coster told us of the efforts that she had put in to resolve some street lighting issues. It appeared that when the neighbouring commercial unit was closed, the electricity supply to certain street lights was also discontinued. It has taken some time to resolve this but the evidence before us was that the original developers had taken on the responsibility of putting this right. She referred to the key fob system affording access to the garden area for residents which had been an ongoing problem, particularly with Trinity, and that the CCTV was also not working correctly. It was put to her that the external CCTV was monitored by the concierge but it seemed that she had had no discussions with the concierge concerning this service.
19. Mr Hockley returned to give brief evidence as to the street lighting position saying that within the last 12 months the local authority had now adopted Galleons Road and the street lighting these now fell outside the estate service charge issue.

20. After the luncheon adjournment Mr Ahmed and Mr Saye returned to let us have their figures on what they considered they had overpaid in respect of bank charges and interest charges, the VAT on the electricity accounts and also sought to suggest some quantum to reflect the dissatisfaction they had in respect of the standard of services provided, particularly by Trinity. Insofar as the bank charges and interest charges are concerned, those are set out on the attached schedule. They also prepared a schedule in respect of the VAT element in relation to the electricity charges, OHG confirming that they did not dispute VAT from 2009/10 onwards and the figure was agreed with the Respondents at £115.65. Insofar as the sub-standard provision of services was concerned, OHG concluded that the most pragmatic way of dealing with the matter was to reflect in the landscaping charges and the management charges the dissatisfaction that the residents' experienced. Accordingly they had extrapolated from the accounts the figures set out on the attached schedule as being the landscaping charges for the four years. It was OHG's case that these should be disallowed in their totality because it reflected the poor service provided by Trinity, the poor state of the garden area at the development and the lack of access to the garden area as a result of the missing fobs.
21. Insofar as the management fees were concerned, again they had extrapolated from the accounts the management charges and those are also shown on the attached schedule. In effect the argument put forward by OHG was that the management charges should also be disallowed in full. It was accepted that the figures set out in the landscaping and management charges included VAT but assumed there was no VAT on the bank charges or interest.
22. Mr Dymond raised certain questions particularly with Mr Saye who accepted that landscaping had been carried out but that there were clear failures and believed that the disallowance of the landscaping was a way of dealing with the shortcomings for the estate. He thought that taking the pragmatic approach was more appropriate than going through each invoice and taking, in his words, a 'nit picking' approach to the assessment. His rationale was that to deduct the totality of the costs for landscaping and management reflected the various complaints made.
23. We were told that the landscaping to the blocks to the left of the development was carried out more recently and by a different builder. The planters were deeper and retained moisture better than the area around Navigation Court. The bed at Latitude Court which is devoid of any form of vegetation is apparently under discussion with the residents.
24. At the conclusion of the evidential element of the Hearing we had submissions firstly from Mr Dymond. He agreed that the case had substantially reduced and that the agreement as to the apportionment would be a good thing for the future. The VAT element is now agreed subject to the final figures and insofar as the interest and bank charges were concerned he relied upon Schedule 6 paragraph 6 which was a very broad clause which included management. This he said covered interest and bank charges.

25. On the question of the Section 20B issue, he said that this was a red herring. The demands clearly show they have been made within 18 months of the cost being incurred.
26. As to the standard of services, insofar as the suspension of those services was concerned he did not think that this helped OHG's case. The accounts showed the reduction in costs for the years 2009/10 reflecting the funding position and there could therefore be no argument that Trinity or the respondents had been overpaid.
27. Insofar as the landscaping was concerned, he said the focus should be laid at the door of Trinity. There had been evidence of the trouble with Trinity and this could be reflected. Insofar as the street lighting was concerned, this had been dealt with by the developer and it was unclear what the problems were with regard to the CCTV. He reminded us that we had evidence that the concierge was friendly and helpful.
28. Although it was accepted that Trinity had faults, he did not think it appropriate for the management fees to be removed completely as even with the fob issue these were small items which reflected on the management and that accordingly such reductions should be quite small.
29. Relying on Schedule 6 paragraph 6 again he concluded that costs could be recoverable and that we should not make an order under section 20C.
30. We then heard from Mr Ahmed. He told us that there had been an attempt by OHG to resolve matters without proceedings. Information had been slow in coming forward and they did not issue the proceedings until last year because of their wish to resolve matters. Even during the course of these proceedings information had come to light late in the day and although there was an attempt to shift the blame to the managing agents, the responsibility he said rested with the landlord. There were service failings in respect of the CCTV, street lighting and landscaping and as Mr Saye had said, he believed there should be reductions made but OHG had adopted a pragmatic not nit picking approach and that they should be commended for taking this view.
31. He did not think that interest was covered by Schedule 6 paragraph 6 as no mention is made of it and the same applied to the bank charges. Insofar as the management was concerned the suspension of services indicated how poor Trinity were particularly as OHG were not informed of this suspension for some time afterwards. He welcomed the agreement on the apportionment position and Mr Hockley's confirmation that the accounts would be amended to reflect this. He thought that the Applicants had been reasonable throughout and that an order under Section 20C should be made. He relied on the Applicants' statement of case at paragraph 30 to further support this.
32. At the conclusion of the Hearing we agreed certain directions which we will deal with in due course.

THE LAW

33. The law relating to this application is set out on the attached appendix.

FINDINGS

34. We have attached a schedule which sets out the arithmetic findings that we have made. Notwithstanding the substantial Scott Schedule and the bundles of documents that were presented to us, this matter confined itself to a number of relatively minor issues. Something of a scatter gun approach had been adopted by the Applicants in their case but unfortunately when it came to a close examination of the issues there just was not the evidence available from them to challenge specific items of expenditure. They therefore adopted, and we have no criticism of this, a more pragmatic approach concentrating on the landscaping and management charges and seeking reductions in respect thereof to reflect the residents' discontent.
35. During the course of the Hearing OHG had sought to portray these proceedings as being some form of crusade to right the wrongs caused by, in particular Trinity, in earlier years and to safeguard their residents. Forgive us if we appear somewhat cynical in that regard but our view is that these proceedings are a direct result of our colleagues issuing their decision in April of 2013 which disallowed the estate service charges in their entirety for the period 2006/07 through to 2011/12. We accept that an appeal has been lodged and that apparently permission to appeal has been granted by the Upper Tribunal. However, we must say that some of the findings made by our colleagues repeated themselves in these proceedings. In the previous case the Tribunal asked for evidence from OHG that it had pressed the Respondents for details but no such evidence was produced then or indeed now save for some emails concerning issues relating to CCTV, fobs, lighting and landscaping. No evidence was produced to show that in any of the years in question OHG asked the respondents to produce documentary evidence to support the estate service charges. Paragraph 33 of this earlier decision is telling. It says as follows: *"In addition there are a large number of seemingly clear errors in the service charge accounts which the Applicants were unable to explain. There was no evidence in front of the Tribunal which indicated that the Applicant had at any stage made any effort to challenge or understand any of the estate service charge demands received from or on behalf of the superior landlord and it seemed to the Tribunal that for years the Applicant had simply been passing these demands on to leaseholders without any analysis whatsoever."*
36. But one thing that was clarified in the course of these proceedings was the extent of the estate and we now have an agreement as to the appropriate apportionment which we hope will help the parties.
37. It is with that background that we consider this application before us and the attempt made by OHG to challenge some of the estate charges. With respect to them the challenge was of limited effect.
38. We will deal firstly with the bank charges and interest. Much was made by the Respondents of paragraph 6 of the 6th schedule to the lease which dated 8th June 2004 between GAL and Community Housing Association Limited the precursor

of OHG. Schedule 6 paragraph 6 says as follows: *"The provision of such reasonable requisite services, acts, matters or things that the lessor may at any time and from time to time provide for or in connection with the estate and any services the lessor may provide acting reasonably in the interests of good estate management."* For the purposes of this case we are prepared to accept that that might prove sufficient to enable the recovery of bank charges. It seems to us that the accounting requirements which are set out at paragraph 13 of the 6th schedule would include the need to have suitable bank accounts and banking facilities to receive and deal with the various service charge monies. Accordingly we find that the bank charges are a reasonable expenditure and are payable by the Applicant. It should be said in any event, that the bank charges are de minimis, varying from £19.72 in the year 2006/07 to £10.86 in the year 2008/09.

39. Insofar as the interest charges are concerned, we cannot see any provision in the lease for this to be recoverable on the basis argued for on behalf of the Respondents. These are not individual interest charges against leaseholders for any particular individual's failings. Instead it appears to be a sum for which interest has been charged in relation to accounts, which were presumably in debit. We find this somewhat surprising given that Trinity discontinued carrying out services when funds ran out. In respect of Navigation Court it appeared to be accepted that all times OHG had paid their service charges as and when they fell due. If there were losses as a result of other leaseholders not paying their service charges, then proceedings could and should have been taken against those individual leaseholders, which would have included claims for interest. In those circumstances we think it is fair and reasonable to disallow the interest claimed against OHG. Mr Saye had calculated what he thought that interest was. However, we have recalculated those as we believe he used the wrong percentage and not 0.225% for each flat and this gives a slightly lower figure as shown.
40. Insofar as the electricity charges are concerned, it was accepted by the Respondents that there had been an overcharge and that the VAT rates should have been at 5%. The total sum sought by way of refund on behalf of OHG was £115.65 and we agreed that that sum should be remitted by the Respondents.
41. We then turn to the landscaping and management charges.
42. Insofar as the landscaping was concerned, no evidence was produced to us in any of the documentation either by way of statement of case or witness statements for the years in dispute, to say what impact the standard of landscaping had had on the development. There was no statement from any resident complaining about the lack of correct fobs and no suggestion that landscaping had not been undertaken on the estate. It is fair to say that presently there is a deficiency in the landscaping insofar as it relates to Navigation Court and its neighbouring blocks. However, we are being asked to consider the period up to 2009/10 and without any evidence before us whatsoever to suggest what the state of the landscaping was at that time, it is impossible for us to make any reductions to the landscaping charges.

43. The same cannot be said for the management charges. There is clear evidence that Trinity fell below the management standards that one might expect. However, to say that they should therefore have any management charge for these four years removed, is too great a reduction to make. The complaints appear to centre round the CCTV but no attempt had been made by OHG to check with the concierge to see if the monitors were working correctly. There were some concerns about the lighting but it appears that that may have been the responsibility of the original developers and of course the key fobs. However, we cannot help but feel that OHG are partly to blame for this, although Mrs Coster when she took over in 2009 as evidenced by various emails had tried to resolve these issues. Prior to that there was no evidence as to what attempts had been made to resolve these issues. We bear in mind the decision by our colleagues which criticised OHG with regard to these accounting issues, they seeing themselves, it would seem, as nothing more than a post box. However, we are satisfied that there has been a deficiency in management for the years in question and we conclude that an appropriate deduction is 25%. We have therefore reflected that in the schedule attached which includes the management charge for each of the years, the deduction made and the amounts that we have allowed. Mr Saye had calculated figures but we think that in respect of the later two years he had not included VAT at the correct rate. We therefore recalculated those as shown on the attached schedule.
44. **Accordingly the total sum by which we reduce the service charges for these four years is £2,215.38, plus the agreed VAT reduction of £115.65 (£2,331.03 in total).** This gives a reduction for the four years on a unit basis of £45.70. Not exactly a crushing success for OHG. In those circumstances we have reached the conclusion that it would be inappropriate to make an order under Section 20C. It will be for the Respondents to satisfy the Applicant and residents that there is provision under the terms of the lease to recover any costs of these proceedings and of course the Applicants can challenge those costs if they think they are unreasonable. However, the amount of paperwork generated and the time spent to recover the essentially minor sums of money which we have allowed on a unit basis needs to be considered by OHG when they determine whether or not to renew the later years complaints.
45. Insofar as those later years are concerned, we make the following directions.

Directions

1. Within 30 days of the decision being issued in this case the Applicant must notify the Respondents and the Tribunal whether it wishes to review the service charge years 2010/11, 2011/12 and 2012/13. It has been agreed that the service charge years 2013/14 will be left for the moment.
2. Subject to the matter progressing, invoices for the years 2010/11 through to 2012/13 will be sent to OHG within 21 days of the Respondents receiving written notification that the matter is to proceed.
3. 28 days after receipt of the papers provided for paragraph 2 above, the Applicants will prepare a statement and Scott Schedule. Such Scott Schedule shall deal with the specific invoices that are under challenge. The Scott Schedule should then be sent by email and in hard copy to MCS who it seems will be handling the matter on behalf of the Respondents. Any

additional documentation that the Applicant intends to rely upon at this subsequent Hearing should be included with this bundle.

4. The Respondents shall reply to the Scott Schedule and produce their own statement of case, 28 days after receipt of the documents under paragraph 3 above. This also should include any documents that are to be relied upon.
5. The Applicants are given 14 days after receipt of the documents under paragraph 4 to file a response if necessary. Such response is to be used for the purposes of confining issues and not for expanding matters.
6. Any witness statements that are to be provided shall be exchanged 14 days after the time for the Applicants to reply as provided for at paragraph 5 above. The witness statements must include a signature and statement of truth and only those witness statements that are disclosed to the other side may be utilised in the Hearing. The person who made the witness statement should attend the Hearing.
7. It is not thought that expert evidence is required but if either party concludes that such expert evidence is needed they must notify the Tribunal as quickly as possible giving details of the experts and an explanation as to why they should give evidence.
8. The Applicants should provide bundles for the Hearing. One bundle must be sent to the Respondent c/o MCS and four bundles to the Tribunal. The bundles must include this decision, the documents provided for above, the relevant leases with properly coloured plans and the completed Scott Schedule.
9. The date for the Hearing will be fixed in due course but the parties are to notify the Tribunal within 6 weeks of the decision being issued, if the matter is to proceed, of dates that they must avoid from 1st November 2014 to the end of the year.
10. It is also noted that the Hearing of these later years should be reserved to the same Tribunal members if at all possible.

Andrew Dutton

A A Dutton

Date: 24th July ,2014

SCHEDULE OF ADJUSTMENTS AND ALLOWANCES

INTEREST

We have calculated this by taking 0.225% of the annual estate charge and multiplying that sum by 51, being the number of units owned by OHG

Period	Annual amount claimed £	Amount allowed £
To April 2007	£2921 for the estate	335.18 for 51 units
To April 2008	£3314 for the estate	380.28 for 51 units
To April 2009	£3258 for the estate	373.85 for 51 units
To April 2010	£91 for the estate	10.44 for 51 units

Total sum reduced in respect of interest charges for the period is £1,099.75

MANAGEMENT

We have calculated this on the basis of taking the sum claimed in the accounts for each year applying the unit percentage now agreed at 0.225% and multiplying that by 51 for the number of units. From this figure we have deducted 25% to give the figure shown under the Amount allowed column. It should also be noted that we consider there was a change in VAT rates during the period in dispute. (1.12.08 to 1.1.10 @ 15%)

Accordingly for the years 08/09 and 09/10 we calculate the contribution to the management charge payable by OHG to be £1,305.03 and £1,206.93 respectively.

To April 2007	£6261 for the estate	718.45 reduced by 211.04 inc. VAT
To April 2008	£8206 for the estate	941.63 reduced by 276.61 inc. VAT
To April 2009	£9679 for the estate	1,110.67 reduced by 326.25 inc. VAT
To April 2010	£9146 for the estate	1,049.50 reduced by 301.73 inc. VAT

Total sum reduced in respect of management charges for the period is £1,115.63