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

Case Reference : **MAN/00DA/LSC/2017/0053**

Property : **Flat 12, 30 York Place,
Leeds LS1 2ED**

Applicant : **MintonCrest Limited**
Applicant's Representative : **Remus Management Ltd**

Respondent : **Mr Rowshan**

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

Tribunal Members : **(Judge) Mr P Barber;
(Valuer) Mrs S Kendal**

Date : **19 October 2017**

DECISION

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Decision

That the service charge payable for the service charge years 2014, 2015, 2016 and 2017 as set out in the application and service charge accounts provided to the Tribunal are reasonable and payable.

1. On the 07 June 2017, the Tribunal received an application for a determination as to the payability and reasonableness of the service charge for the property at flat 12, 30 York Place, Leeds LS1 2ED ("the flat").
2. The applicant is Mintoncrest Limited the landlord of the property and the respondent is Mr Rowshan, the leasehold owner of flat 12.
3. The flat is located within a development of 13 flats in what we assume to be a converted Victorian warehouse or factory on York Place Leeds. It is surrounded by modern purpose built office blocks and there is one entrance to the front of the development with 2 flats on each floor (3 in the basement) and 5 floors. The building is therefore high and thin.
4. The grounds of the application bring into question the service charge demands for the years 2014 through to 2017. The application indicates that the Respondent has failed to pay sufficient money to cover the service charge in each of these years (and on account). A statement of account is produced at page 92 through to 94 of the bundle identifying the demands for payment and the receipts from March 2008 to June 2017.
5. The Respondent has taken no part in these proceedings and indeed on the 04 October 2017 the Tribunal barred the Respondent from taking further part in the proceedings by way of an Order under Rule 9 of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013. It was also Ordered that the application would proceed to a determination on the basis of the papers following an inspection of the development.

The Inspection

6. We inspected the common parts of the development in the company of the Applicant's representative, Ms Karen Chiswell-Williams MRPM, Regional Manager in the employment of Remus, the Applicant's managing agent. We inspected the common stairwell; the lift; the bin storage area and the electricity mains area; the front of the property and the rear of the property.

The Law

7. The law is contained in sections 18 and 27A of the Landlord and Tenant Act 1985 as follows:

18.— Meaning of “service charge” and “relevant costs”.

- (1) In the following provisions of this Act “service charge” means an amount payable by a tenant of a [dwelling] ¹ as part of or in addition to the rent—
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance [, improvements] ² 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.

27A Liability to pay service charges: jurisdiction

- (1) An application may be made to [the appropriate tribunal] ² 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.

8. Accordingly, our powers are limited to determining the reasonableness and payability of the service charge under the terms of the respondent's lease. There was no question that the Respondent is liable to make payments in respect to the service charge and that the proportion as calculated was in accordance with the terms of the lease. The issue for the Tribunal, therefore was whether the amounts were reasonable and payable as set out in the various service charge demands.

Findings of Fact in Relation to the Issues in the Application

9. The Applicant provided various accounts and demands for the various years in issue in their bundle of documents. Each of those statements of accounts sets out the various items which comprise of the service charge under headings such as "Repairs and Maintenance"; "Utilities" and "Professional Fees". We considered each item of expenditure in each accounting year and found that there was nothing which we could identify as being either unreasonable or not payable.
10. We are therefore satisfied that the works identified in the various service charge demands and schedules contained within the bundle of documents are reasonable and payable. In particular and without prejudice to the generality of the previous paragraph we find as fact (and our decision is accordingly) that the following amounts are reasonable and payable for each of the historic service charge demands:

Year	Total Service Charge	Lift	Proportions payable
2014	£29,252.32	£2823.36	£3218.22, (lift) £419.16
2015	£28,343.99	£6908.56	£3118.29 £1025.64
2016	£32,951.56	£3415.94	£3625.19 £507.19
2017	£29995.00	£3530.00	£3299.36 £524.06