

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference LON/00AM/LSC/2022/0218

HMCTS code (paper,

video, audio)

Face-to-Face

19 Bicknor House, Pembury Road, **Property**

London E5 8LQ

Applicant Mr John Abdulgaffar Bakrin

Representative N/A

Respondent **Peabody Trust**

Mr Robert Shaw, Senior Representative

Homeownership Relationship Manager

For the determination of the liability to

Type of application pay service charges under section 27A

of the Landlord and Tenant Act 1985

Judge Tagliavini **Tribunal members**

Ms Marina Krisko FRICS

10 Alfred Place, London WC1E 7LR Venue

Date of hearing

Date of decision

18 November 2022

19 December 2022

DECISION

Decisions of the tribunal

- (1) The tribunal makes the determinations as set out under the various headings in this Decision.
- (2) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 and par.5 of schedule 11 of the Commonhold and Leasehold Act 2002 so that none of the landlord's costs of the tribunal proceedings may be passed to the lessees through any service charge.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of the service charge years 2017/2018; 2018/2019; 2020/2021 and 2022/2023.

The hearing

2. The Applicant appeared in person at the hearing and the Respondent appeared was represented by Mr Robert Shaw, Senior Homeownership Relationship Manager.

The background

- 3. The property which is the subject of this application is a three-bedroom flat in a purpose-built block of 20 flats forming part of an Estate.
- 4. Neither party requested an inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.
- 5. The Applicant holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. The specific provisions of the lease and will be referred to below, where appropriate.
- 6. The Applicant asserts he is required to pay 0.0784% (0.078368268%) Estate Service Charges and 5.3571% towards Block Costs.

The issues

7. At the start of the hearing, the tribunal canvassed with the parties the correct percentages chargeable for Estate and Block Costs as the amount charged by the Respondent for Estate Charges appeared to vary

in the service charge years in dispute, between 0.081% - 0.089% The Applicant referred the tribunal to a solicitor's letter dated 23/04/2014 in which it confirms to the applicant the Block Costs are 5.3571%. and the Estate Costs are 0.0784%.

- 8. The Applicant having indicated that several items were no longer in dispute, the parties identified the relevant issues that remained for determination by the tribunal as follows:
 - (i) The payability and/or reasonableness of service charges for:

2017/2018

Emergency Light Testing 2018/2019 Gardening and Grounds Maintenance Bulk Refuse Electricity Emergency Light Testing Appliance Testing/ERCR//PATs/EL

2019/2020

Gardening and Grounds Maintenance Insurance Boiler

2020/2021

Gardening and Grounds Maintenance

2021/2022

Gardening and Grounds Maintenance General Building Work Bulk Waste Emergency Light Testing Appliance Testing/ERCR/PATs/EL Door entry phones

2022/2023

Grounds Maintenance
General Building Works
Bulk Refuse
Insurance
Emergency Light Testing
Appliance Testing/ERCR/PATs/EL
Door Entry Phones

9. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made determinations on the various issues as follows.

% payable for Estate Charges and Block Costs

10. The tribunal finds the correct percentages payable in all service charge years in dispute are:

Block Costs: 5.3571%

Estate Costs: 0.081%

<u>Insurance – 2022/2023</u>

- 11. The tribunal finds the Respondent's practice of placing the buildings insurance as part of a block portfolio is reasonable and accepts Mr Shaw's evidence that insurance costs are regularly tested in the market. The tribunal finds the insurance costs steadily increased until 2022/2023. At this point the estimated insurance costs is said by the respondent to undergo a 100% increase. The tribunal finds such a large increase although possible, is unlikely. However, as this is only an estimated cost and in the absence of other persuasive evidence to show this estimated cost is unreasonable, the tribunal finds the estimated insurance cost for 2022/2023 is reasonable and payable by the Applicant.
- 12. If in the event, the Applicant finds the actual insurance charge for 2022/2023 remains in his view, on the high side then he is able to bring a challenge to the actual cost of the insurance.

Emergency Light Testing – 2017/2018

13. The tribunal accepts the Applicant's evidence the caretaker carries out these simple checks on a monthly basis. The tribunal therefore finds, it is unreasonable for an electrical contractor to carry out this activity on a monthly basis and finds an annual check by an electrical contractor on an annual basis only is reasonable at a total cost of £250 of which the Applicant's share is £13.39.

Gardening and Grounds Maintenance – 2019/2020

14. The tribunal finds the total charge of £4,562 per fortnight to which the Applicant is required to contribute is excessive. The tribunal finds the work carried out is routine is not extensive and therefore, the charge is

on the high side and unreasonable. The tribunal finds that the Applicant's reasonable costs for this service is £21.50.

Bulk Waste Disposal – 2019/2020

15. The tribunal finds these costs are reasonable and payable by the Applicant. The tribunal finds that contractors are required to come to the Estate to take away the bulk rubbish that has found on the Estate and been collected together by the caretakers.

Smoke alarm testing - 2019/2020

16. The tribunal finds these costs are reasonable and payable by the Applicant. The tribunal accepts that these costs do not relate to testing of gas appliances on the Estate as there is no communal heating system.

<u>Gardening and Grounds Maintenance - 2020/2021</u>

17. For the reasons stated above the tribunal finds the Applicant's reasonable costs for this service are £25.74 i.e., a 20% increase on the previous year.

Gardening and Grounds Maintenance - 2021/2022

18. For the reasons stated above the tribunal finds the Applicant's reasonable costs for this service are £30.80 i.e.,. a 20% increase on the previous year.

General Building Work -2021/2022

18. The tribunal finds these are estimated costs and are reasonable and payable by the Applicant.

Bulk refuse collection - 2021/2022

19. The tribunal finds these costs are reasonable and payable the Applicant.

Emergency Light Testing - 2021/2022

20. The tribunal finds these costs unreasonable for the reasons stated above. Therefore, a total charge of £300 is allowed of which the Applicant's share is £16.07.

Appliance testing - 2021/2022

21. The tribunal finds these costs are reasonable and payable by the Applicant.

Door Entry Phone – 2021/2022

21. The tribunal finds these costs are reasonable and payable by the Applicant.

Gardening and grounds maintenance costs -2022/2023

22. For the reasons stated above the tribunal finds these costs unreasonable and reduces the estimate to £50 as representing the Applicant's reasonable share.

Emergency Light Testing – 2022/2023

23. For the reasons stated above the tribunal limits these costs to £350 for the block of which the Applicant's share is £18.75.

2022/2023

24. The tribunal finds all of the estimated charges for this service charge chare are reasonable and payable by the Applicant.

Section 20 L&T1985 and para 5, sch.11 CLARA 2002

25. In the application form the Applicant applied for an order under section 20C of the 1985 Act. Mr Shaw informed the Tribunal the Respondent did not intend to add its costs of the and incidental to the application to the service charges. However, taking into account the determinations above, the tribunal determines, that in any event, it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Applicant may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge. However, the tribunal makes no order in respect of the reimbursement of the application and hearing fees paid by the Applicant.

Name: Judge Tagliavini Date: 19 December 2022

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e., give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).