



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

Case Reference : CHI/00HN/LIS/2019/0047

Property : Seafield Court, 12 Owls road, Bournemouth
BH5 1AF

Applicant : Tyrrel Investments Inc.

Representative : Napier Management Services Limited

Respondent : None

Representative :

Type of Application : Determination of reasonableness of service
charges

Tribunal Member(s) : Mr D Banfield FRICS

Date of Decision : 12 September 2019

DECISION

The Tribunal determines that the sum of £18,174, being the amount referred to in the application may, subject to the works being carried out to a reasonable standard, be recovered from the Lessees in accordance with the terms of their respective leases

Background

1. The Applicant seeks a determination that the costs of £18,174.00 it intends to expend in respect of external redecorations and repairs which have been subject to a section 20 consultation are reasonable.
2. The Tribunal made Directions on 23 July 2019 which were sent to the lessees. Attached to the Directions was a form for the lessees to return to the Tribunal indicating whether they agreed with the Application and that those who did agree or failed to respond would be removed as Respondents.
3. One response was received agreeing to the application and they, together with those lessees who did not respond are therefore removed as Respondents.
4. On 15 August 2019 the Tribunal indicated that it would determine the application on the papers under Rule 31 of the Tribunal's procedural rules unless any party objected within 28 days.
5. No objections have been received and the matter is therefore determined on the papers already received. on the first available date after the expiry of 28 days from the date of these Directions.

The Lease

6. The lease for Flat 2 has been provided and it understood that all leases are in similar form. The Fourth Schedule contains the Lessors covenants under which they are to repair, decorate and renew the main structure including internal staircases and landings.
7. Clause 13(a) of The Third Schedule contains the obligation of the lessee to *“ contribute and pay on demand by way of further and additional rent one ninth share of the costsreferred to in clauses one to three inclusive of the Fourth Schedule”*

The Law

8. The tribunal has power under section 27A of the Act to decide about all aspects of liability to pay service charges and can interpret the lease where necessary to resolve disputes or uncertainties. The tribunal can decide by whom, to whom, how much and when a service charge is payable.

9. By section 19 of the Act a service charge is only payable to the extent that it has been reasonably incurred and if the services or works for which the service charge is claimed are of a reasonable standard. Section 19 (2) concerns where a service charge is payable before the relevant costs are incurred no greater amount than is reasonable is payable.

The Submission

10. The bundle contains;
 - A specification of works prepared by Winkle-Bottom Chartered Surveyors for external decorations
 - A Notice of Intention dated 15 November 2017
 - A tender report containing three contractors' quotations
 - A statement of estimates and accompanying notice dated 12 February 2018 indicating a cost of £18,174.
 - Correspondence regarding an increase in the lowest tenderer's estimate.

Discussion and Determination

11. I am satisfied that the Lease requires the Lessor to carry out the proposed works at the Lessees' cost by way of service charge.
12. The works have been the subject of a tendering process and the lowest price proposed.
13. No challenge has been received to the consultation procedures required by Section 20 of the Landlord and Tenant Act 1985 or to the application as a whole.
14. In these circumstances the Tribunal determines that sum of £18,174 being the amount referred to in the application may, subject to the works being carried out to a reasonable standard, be recovered from the Lessees in accordance with the terms of their respective leases.

D Banfield FRICS
12 September 2019

Appeals

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.