

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : MAN/00EF/PHC/2020/0003

Property : Leven View Residential Park

Applicants : Mr P Walker; Mr P & Mrs L

Heslop; Mr T & Mrs B Cooper

Respondent : Crown Park Sales Limited

Type of Application : Section 4 Mobile Homes Act 1983

Tribunal Members : (Judge) Mr Phillip Barber

(Specialist) Mr I James

Date of Determination: 26 April 2021

Date of Decision : 7 June 2021

### **DECISION AND REASONS**

## **DECISION**

1. The Respondent is entitled to recover from the Applicants (and the liability of the Applicants is accordingly limited to) the cost of LPG delivered to their pitches at the unit price paid by the Respondent to their LPG supplier.

2. The Respondent is not entitled to charge the monthly admin fee of £9.00 plus VAT as this represents a payment over and above the amount stipulated in paragraph 1 above.

#### **REASONS**

- 3. There are three applications under section 4 of the Mobile Homes Act 1983 in relation to the cost of supplying LPG to each of three units occupied by the three applicants. The units are numbers 13, 14 and 18 each of which are charged for the supply of LPG. The application asks the question that the occupiers "want to know the reasons why we are being charged such an extravagant amount for LPG, after requesting without success, this information from the Park owner". It appears that the occupiers were each charged £2.90 per unit for LPG, a charge which they suggest is not reasonable.
- 4. The application also refers to management charges for the purposes of the LPG supply are also disputed.
- 5. The "Particulars of agreement" in respect of each of the units on the site and subject to this application includes, under the heading "Additional charges" the following: "Gas supply metered quarterly bill" together with "Electric supply metered quarterly bill" and "Management charge" under Part 2. The annex to Part 2, includes, under paragraph 21, the standard requirements that the "occupier shall (b) pay to the owner all sums due under the agreement in respect of gas, electricity, water, sewerage or other services supplied by the owner". Part 3 contains several express terms, none of which relate to the payment of LPG or any other services provided at the site.
- 6. We were referred in the bundle to the well-known case *of Shortferry Caravan Park* [2015] UKUT 0587 (confirmed on appeal to the Court of Appeal under reference [2017] EWCA Civ 52) in the Lands Chamber of the Upper Tribunal, paragraph 56 of which provides as follows:
  - 56. The effect of paragraph 3(b) is therefore to limit the charge which the appellants may make in respect of LPG to a unit charge equal to the cost they themselves have incurred for the LPG supplied to them. Costs incurred by the appellants in reading meters, in the provision and maintenance of the infrastructure, including the tanks themselves, the tank compound and the underground pipes, the interest charge and the administration fee are not payable by the respondents. The occupiers are entitled to be provided with documentary evidence in support of those charges on request to the appellants and free of charge in accordance with paragraph 22(b)(ii) of the statutory implied terms.

7. The reference to that paragraph to paragraph 3(b) is a reference to a term in the express terms in Part IV of the written statement to the Shortferry residents which provided as follows:

"to pay and discharge all general and/or water rates which may from time to time be assessed charged or payable in respect of the mobile home or the pitch (and/or a proportionate part thereof where the same are assessed in respect of the residential part of the park) and charges in respect of electricity gas water telephone and other services"

- 8. In our view we are bound to follow the judgement in *Shortferry Caravan Park* and apply the same rational to the terms of the agreement the subject of this application.
- 9. In our judgement, the reference in the agreement to "Gas supply metered quarterly bill" should be limited in scope to those incurred by the Respondent for the LPG supplied to them.
- 10. We note the letter dated 18/11/2020 from the Respondent to the Tribunal in response to the CMC held on the 19 October 2020 that the unit cost of LPG includes an amount for "maintenance contract costs, meter and pipework infrastructure costs, tank costs, supply delivery costs etc" but in our judgement the agreement is not drafted sufficiently wide to enable the Respondent to cover any costs in excess of those incurred by themselves. It seems to us that the phrase "Gas supply" must refer to the gas supplied to the site owner at the cost payable by the site owner and that "metered" is a reference to the amount of LPG used by the occupier in accordance with their meter.
- 11. That any additional costs, as mentioned in the October letter do not relate to the "supply" of gas but to the maintenance of the infrastructure is also consistent with the reasoning in *Shortferry* and as such should not form part of the charges for the supply of gas.
- 12. This view is also consistent with the reasoning in the Court of Appeal at paragraph 43:

"I consider it is clear that the "charges" mentioned in the second part of that paragraph are charges by third party utility suppliers"

13. During the course of these proceedings, we asked the Respondent to provide copies of invoices incurred by them in relation to LPG for the relevant period. We were provided with invoices for the period from January 2020 through to December 2020 during which the unit price incurred by the Respondent in relation to the supply of LPG by "jgas" varied between £0.2600 and £0.3258 with a daily standing charge of £0.1644.

- 14. In our judgement, the Respondent, under the terms of the agreement is entitled to recover no more from the Applicants than the above unit charge together with a proportion of the standing charge in accordance with the decision set out above.
- 15. Any additional charges, in accordance with the decided cases on this point are chargeable as part of the pitch fee if they can be construed as coming within the scope of the relevant implied terms in the agreements.

Phillip Bowber

Signed

Phillip Barber (Tribunal Judge)

Date: 07 June 2021

#### **APPEALS**

- 16. A person wishing to appeal this decision to the Upper 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.
- 17. 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. Where possible you should send your further application for permission to appeal by email to <a href="mailto:rpnorthern@justice.gov.uk">rpnorthern@justice.gov.uk</a> as this will enable the First-tier Tribunal to deal with it more efficiently.
- 18. 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.
- 19. 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.