

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	LON/00AW/LSC/2021/0340
HMCTS code (paper, video, audio)		P: PAPERREMOTE
Property	:	Flat 5, 61 Lancaster Road, London W11 1QG
Applicant	:	Ms Amy Williams
Representative	:	In person
Respondent	:	Classgood Limited
Representative	:	Supercity Ltd
Type of application	:	Service charges – section 27A Landlord and Tenant Act 1985
Tribunal member(s)	:	Judge Tagliavini Mr K Ridgeway MRICS
Venue	:	10 Alfred Place, London WC1E 7LR
Date of decision	:	9 March 2022
DECISION		

Covid-19 pandemic: description of hearing

This has been a remote hearing on the papers which has not been objected to by the parties. The form of remote hearing was P:PAPERREMOTE. A face-toface hearing was not held because all issues could be determined in a remote on paper. The documents that the Tribunal were referred to are in a bundle of 69 pages, the contents of which have been considered.

The tribunal's summary decision

- (1) The tribunal finds that the charges incurred in respect of the service charge years 2014/2015; 2015/2016; 2016/2017; 2017/2018 and 2019/2020 have not been demanded within 18 months of having been incurred. Therefore, these charges are not payable by the applicant lessee to the respondent landlord pursuant to section 20B of the Landlord and Tenant Act 1985. Therefore, any sums paid the applicant in respect of these service charges should be re-allocated for service charges incurred after the service charge year 2019/20 and credited to the applicant's account.
- (2) The tribunal makes an order under section 20C of the Landlord and Tenant and under paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.

The application

1. This is an application made section 27A of the Landlord and Tenant Act 1985 ('the 1985 Act') seeking the tribunal's determination as to the applicant lessee's liability to pay services charges for the years 2014/15; 2015/16; 2016/17; 2017/18; 2018/19 and 2019/2020.

Background

2. The applicant is the long lessee of premises situate at Flat 5, 61 Lancaster Road, London W11 1QG ('the premises') under a lease dated 24 August 1995 made between 251 Portobello PLC and Chloe Hayward for a term of 125 years with effect from 24 June 1995.

The applicant's case

- 3. The applicant asserts that the respondent has failed to make demands for the payment of service charges within 18 months of having been incurred and therefore, they are not payable pursuant to section 20B of the Landlord and Tenant Act 1985.
- 4. The applicant asserts that the respondent has admitted through its agent(s) its failure to make timely demands for service charges and
- relies upon telephone and documentary correspondence to this effect. This includes a demand for payment of service charges for the period 1/04/2016 31/03/2021 in the sum of £4,564.80 and corrected in a demand dated 06/11/2020 for service charges for the period 01/04/2013-

31/03/2015, in the sum of £1,985.42, although subsequently the respondent conceded that service charges for 2013/14 were 'forgone'.

5. The appellant subsequently paid £1,000 towards the service charges alleged to be due for the period 2020/2021 although the respondent purported to allocate these to service charges said to be due for the period 2014/15.

The respondent's case

6. The respondent failed to provide any Statement of Case in Response, witness statements or any other documents despite having been required to do so in the tribunal's Directions dated 14 October 2021.

The tribunal's decision and reasons

- 7. The tribunal finds that the respondent has failed and has admitted failing to demand service charges from the applicant for the years 2014/15; 2015/2016; 2016/17; 2017/18; 2018/19 and 2019/20 within 18 months of having been incurred. The tribunal finds therefore the sums incurred in these service charge years and therefore, are not payable by the applicant.,
- 8. Section 20B of the Landlord and Tenant Act 1985 states:

(1)If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.

(2)Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

9. The tribunal finds that the respondent and its managing agents appear to be unaware of the provisions of this section and without justification made unreasonable demands for the applicant to pay these outstanding sums and made unmerited threats to forfeit the applicant's lease. 10. The tribunal also makes and order under section 20C of the Landlord and Tenant Act 1985 so that none of the respondent's cost can be added to the service charges and also makes an order under paragraph 5A of schedule 11 of the Commonhold and Leasehold Reform Act 2002 extinguishing the applicant's liability (if any) to pay any of the respondent's costs/administration charges of or associated with this application.

Name: Judge Tagliavini

Date: 9 March 2022

ANNEX - RIGHTS OF APPEAL

Appealing against the tribunal's decisions

- 1. A written application for permission must be made to the First-tier Tribunal at the Regional tribunal office which has been dealing with the case.
- 2. The application for permission to appeal must arrive at the Regional tribunal office within 28 days after the date this decision is sent to the parties.
- 3. 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.
- 4. The application for permission to appeal must state the grounds of appeal and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers
- 5. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.