

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference LON/00AJ/LSC/2023/0436

GFF, 10 Newton Avenue, Ealing, W3 **Property**

Applicant Rolecourt Ltd

Representative **Miodrag Markovic**

Respondent Victoria Igboji Imo

Representative In Person

For the determination of the liability to Type of application

pay service charges under section 27A of

the Landlord and Tenant Act 1985

Tribunal members R Waterhouse FRICC

10 Alfred Place, London WC1E 7LR Venue

Date of decision 3 July 2024

DECISION

Decisions of the Tribunal

(1) The Tribunal determines that no sums are payable under the service charge demand dated 11 August 2023 because the demand has not been validly served with the omission of the Summary of Rights and Obligations.

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 Respondent in respect of the service charge years

Preliminary matter

- 2.The Applicant appeared in person in the Tribunal, but the Respondent did not attend nor conveyed any message of why they may not have attended. The Tribunal considered Tribunal Procedural (First –tier Tribunal) (Property Chamber) Rules 2013 and Practice Directions, Rule 34 "Hearings in a party's absence".
 - 34. If a party fails to attend a hearing the Tribunal may proceed with the hearing if the Tribunal-
 - (a) is satisfied that the party has been notified of the hearing or that reasonable steps have been taken to notify the party of the hearing and
 - (b) considers that it is in the interests of justice to proceed with the hearing
- 3. The Tribunal considers it is fair and proportionate to continue the hearing in the absence of the Respondent.

The hearing

- 4. The Applicant, Rolecourt Limited was represented by Mr Markovic at the hearing and the Respondent did not appear.
- 5. The Tribunal was in possession of a bundle comprising 69 pages.

The Background

6. The property which is the subject of this application is from the application, a flat within a house that is converted into two flats.

- 7. 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.
- 8. The Respondent holds a long lease of the property for 99 years from 26 September 1997 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.

The issues

- 9. At the start of the hearing the parties identified the relevant issues for determination as follows:
 - (i) The payability and/or reasonableness of service charges for 2023/2024 relating to a management fee of £350.00 and a share of insurance premium, of £ 258.41 totalling £ 608.41.
 - (ii) In this Application, Rolecourt Limited the Applicant, is seeking a determination of the payability of service charges charged by the Respondent. The premises consist of a ground floor flat in a converted Victorian house, total number of flats in the converted house is two.
 - (iii) The central plank of the Applicant's case is that the demand for the management fee and the 50 % share in insurance is reasonable and payable by the Respondent.
 - (iv) The challenge from the Respondent, relates to section 21B of the Landlord and Tenant Act 1985. It is the Respondent's case that the Respondents have failed to lawfully claim service charges from her in accordance with section 21B.
 - (v) In her submission the Respondent says that the Applicant has not followed the rules by law for issue of invoices by omitting the summary of tenants' rights obligations information sheet.
 - (vi) As already said, this is the essence of her challenge. It is surprising that the Applicant has not dealt with the challenge because it will be seen that the effect of section 21B is that if the summary of rights and obligations is not included with a demand then the sums claimed are not due until such time as the summaries are provided.

The law

Landlord and Tenant Act 1985

21B Notice to accompany demands for service charges

- (1) A demand for the payment of a service charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to service charges.
- (2) The Secretary of State may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.
- (3) A tenant may withhold payment of a service charge which has been demanded from him if subsection (1) is not complied with in relation to the demand.
- (4) Where a tenant withholds a service charge under this section, any provisions of the lease relating to non-payment or late payment of service charges do not have effect in relation to the period for which he so withholds it
- (5) Regulations under subsection (2) may make different provision for different purposes.
- (6) Regulations under subsection (2) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

The Tribunal's Decision

- 10. It is clear from the documents provided in the bundle that the service charge demand for 2023/24 did not include the Summary of Rights and Obligations.
- 11. Mr Markovic at the hearing submitted that he had on 29 June 2024 re-served the service charge demand notice with the prescribed Rights and Obligations.
- 12. It may be that this later service of the service charge Demand with Summary of Rights and Obligations is validly served, and payment is reasonably payable under the later Notice.
- 13. However, the Application under consideration by the Tribunal relates to a demand dated 11 August 2023. This demand omitted the summary of rights and obligations and so was not validly served.

14. Accordingly, the Tribunal must reach the conclusion on the evidence before it that none of the sums claimed by the Applicants are not due for the period in question under demand dated 11 August 2023. Accordingly, the Tribunal determines that none of the sums claimed for the period 2023/2024 in respect of a management fee or the 50% insurance are payable under the demand served of

15. In addition, the Tribunal determines that it will exercise its discretion in favour of the Respondent in relation to section 20C of the Landlord and Tenant Act 1985. This will preclude the Applicant from recovering any of its costs incurred in these proceedings via the service charge.

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.