

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/00AE/LSC/2023/0424
Property	:	5A Allington Road, W10 4AY
Applicant	:	London Borough of Brent
Representative	:	-
Respondent	:	The Estate of the Late Ms Jewel Minerva Poulis
Representative	:	
Type of Application	:	Transferred proceedings from the County Court to determine service charges and administration charge
Tribunal Member(s)	:	Judge Tildesley OBE Ms Jane Mann MCIEH
Date and venue of the Hearing	:	Decision on the papers
	:	Decision on the papers 7 August 2024

DECISION

Senior President of Tribunals Practice Direction: Reasons for Decisions 4 June 2024

- 1. This Practice Direction states basic and important principles on the giving of written reasons for decisions in the First-tier Tribunal. It is of general application throughout the First-tier Tribunal. It relates to the whole range of substantive and procedural decision-making in the Tribunal, by both judges and non-legal members. Accordingly, it must always be read and applied having regard to the particular nature of the decision in question and the particular circumstances in which that decision is made (paragraph 1).
- 2. Where reasons are given, they must always be adequate, clear, appropriately concise, and focused upon the principal controversial issues on which the outcome of the case has turned. To be adequate, the reasons for a judicial decision must explain to the parties why they have won and lost. The reasons must enable the reader to understand why the matter was decided as it was and what conclusions were reached on the main issues in dispute. They must always enable an appellate body to understand why the decision was reached, so that it is able to assess whether the decision involved the making of an error on a point of law. These fundamental principles apply to the tribunals as well as to the courts (paragraph 5).
- 3. Providing adequate reasons does not usually require the First-tier Tribunal to identify all of the evidence relied upon in reaching its findings of fact, to elaborate at length its conclusions on any issue of law, or to express every step of its reasoning. The reasons provided for any decision should be proportionate, not only to the resources of the Tribunal, but to the significance and complexity of the issues that have to be decided. Reasons need refer only to the main issues and evidence in dispute, and explain how those issues essential to the Tribunal's conclusion have been resolved (paragraph 6).
- 4. Stating reasons at any greater length than is necessary in the particular case is not in the interests of justice. To do so is an inefficient use of judicial time, does not assist either the parties or an appellate court or tribunal, and is therefore inconsistent with the overriding objective. Providing concise reasons is to be encouraged. Adequate reasons for a substantive decision may often be short. In some cases a few succinct paragraphs will suffice. For a procedural decision the reasons required will usually be shorter (Paragraph 7).

The Proceedings

5. The Claimant/Applicant issued proceedings in the County Court on 20 December 2021 making a claim for service charges, ground rent

and interest in the sum of £6,296.21. No Defence was filed to the proceedings.

- 6. On 21 April 2023 District Judge Griffiths made the following order:
 - Pursuant to CPR19.12.1.a, the claim shall proceed in the absence of a person representing the estate of Ms Jewel Poulis.
 - Transfer to FTT Property Chambers.
- 7. On 14 June 2024 the Tribunal directed that the case would be determined on the papers in the week commencing 5 August 2024 and that the Applicant would prepare a hearing bundle and deliver it to the Tribunal and the subject property by 26 July 2024. The directions also required any person if they wished to represent the Respondent to inform the Tribunal as soon as possible. The directions were served on the Applicant and Ms Ebony Evans at the subject property.
- 8. The Applicant supplied evidence in the court papers that Ms Ebony Evans was the daughter of the deceased and that she had been living at the subject property. The Applicant formed the view that Ms Ebony Evans was the most likely person to act for the Estate. The Applicant applied to the Court for Ms Ebony Evans to be appointed as the personal representative of the Estate. The Court declined to do so but decided to proceed in the absence of a representative of the Estate after being satisfied that Ms Ebony Evans had been served with the application.
- 9. The Tribunal has no jurisdiction to interfere with the procedural ruling of the District Judge.
- 10. The Tribunal is satisfied that the directions had been served on Ms Ebony Evans at her last known address, and that she had made no contact with the Tribunal.
- 11. The Tribunal decided to proceed on the basis of the Applicant's hearing bundle. The Tribunal observes that this had been sent to address of the subject property on 1 August 2024. The Tribunal considered that the late delivery of the hearing bundle would not cause undue prejudice to the Respondent because it largely replicated the documents before the Court.
- 12. The Tribunal's jurisdiction is limited to determining the payability of service charge as at the date of the claim (7 December 2021). The Applicant has sought to add further service charges which it cannot do so unless it has made an amendment to the Claim or made a separate section 27A application to the Tribunal which it has not done so¹. Also the Tribunal has no jurisdiction to determine ground rent or order interest on the arrears.

¹ Lennon v Ground Rents (Regisport) Ltd, 2011 WL 2748498 (2011)

13. The Applicant's claim as at 7 December 2021 was \pounds 933.31 for ground rent and service charges and \pounds 3,668.13 for major works recoverable as service charges.

Decision

14. The Tribunal finds that the costs of £883.31 in respect of insurance and block repairs and the costs of £3,668.13 in respect of major works have been incurred by the Applicant and are reasonable. The Tribunal determines that the Applicant is entitled to recover the costs as service charges under the lease from the Respondent.

Reasons

- 15. The property is situated within a building comprising one other flat. The Applicant holds the freehold title to the building under title number MX372623. The late Ms Jewel Minerva Poulis holds the leasehold title to the property under Title number NGL668787. Ms Poulis died on 29 September 2017. Ms Ebony Evans in her capacity as daughter reported the death.
- 16. By a Lease dated 10 May 1990 ("the Lease") made between the Applicant of the one part and the Late Ms Jewel Minerva Poulis of the other part, the Applicant let the said Premises to the late Ms Jewel Minerva Poulis subject to certain conditions including a provision for the payment of ground rent and service charges (including major works charges) in accordance with Clauses 1, 3(i), 4(A), 4(B) and paragraph 1 of the Third Schedule to the Lease, and the clauses referred to therein
- 17. The Applicant's claim for service charges in the amount of $\pounds 933.31$ covered the period from year end adjustment to 2016/17 to estimate of 2021/22.
- 18. The sum of \pounds 933.31 was broken down as follows²:
 - 2016/17 Year end adjustment £59.85
 - 2017/18 actual: £201.92 comprising £39.72 block repairs including management fee; £10 ground rent; £152.20 insurance.
 - 2018/19 actual: £170.18 comprising £10 ground rent; £160.18 insurance:

² See pages 43 to 51

- 2019/20 actual: £163.38 comprising £10 ground rent; £153.38 insurance
- 2020/21 actual: £168.99 comprising £10 ground rent;
 £158.99 insurance
- 2021/22 estimate: £168.99 comprising £10 ground rent; £158.99 insurance
- 19. Ms Somers, Leasehold Finance Officer, in her witness statement dated 1 August 2024 supplied different figures for the service charges for the years in question as well as adding the service charge for 2022/23 which is out-with the claim. Ms Somers has used the amounts for the following year estimates. By way of example in 2017/18 her figure of £229.39 is for the estimated service charge for 2018/19 rather than the actual for 2017/18 of £201.92. The Tribunal's figures in paragraph 18 above accurately reflected the breakdown as set out in the Claim which was exhibited at page 76 of the Court bundle.
- 20. The Tribunal decides that the amount of \pounds 933.31 includes five years of ground rent at \pounds 10 per annum. Thus the amount that the Tribunal can consider is \pounds 883.31.
- 21. The sum of £883.31 includes the costs of insurance, block repairs and the year end adjustment for 2016/17.
- 22. Under sub-clause 6(5) of the Lease the Council ("the Applicant") covenants to insure the demised premises.
- 23. Under sub-clause 3(iii) the Lessee (the Respondent) covenants with the Council:

" To pay to the Council on demand whether in advance or otherwise such amount as represents a reasonable part of the Council's expenditure incurred or to be incurred upon the carrying out of major works of repair renovation or improvement to the demised premises and the fixtures fittings and installations and also to the structure of the building".

- 24. Clause 4(A) is missing from the copies of the Lease supplied to the Court and the Tribunal. Clause 4(B)(iii), however, requires the expenditure incurred by the Council in fulling its obligations under Clause 6 to be included in the year end certificate.
- 25. The Tribunal considers on balance the above analysis of the lease provisions demonstrated that the Applicant was entitled to recover the costs of the insurance and block repairs from the Lessee as service charges including year end adjustments.

- 26. The Applicant has not supplied invoices supporting the charges for insurance and block costs. The Tribunal is, however, satisfied from the statement of accounts and the service charge demands that the Applicant has incurred the costs. The amounts involved ranging from £152.20 to £160.18 for insurance and £39.72 for block repairs were modest and in the Tribunal's knowledge and experience were within the bounds of reasonableness.
- 27. The claim for major works was in the sum of £3668.13 which comprised £1,820 (including £70 management fee) for replacing guttering and downpipes, prepare and paint barge boards, soffits and fascia and repointing areas of affected brickwork undertaken in 2014/15, and the balance of £1,848.13 for repairs to external and internal cracks and plaster repairs and decorations completed around 2008.
- 28. The Applicant included in the Tribunal's statement of case an additional amount of \pounds 1,146.09 for drain works in 2023. As explained previously the Tribunal has no jurisdiction to deal with this because it was not included in the Claim transferred to the Tribunal.
- 29. The Tribunal is satisfied by virtue of sub-clause 3(iii) of the Lease the Council is entitled to recover the costs of the major works to the guttering and downpipes and the repairs to external and internal cracks from the Lessee as service charges.
- 30. The Tribunal is satisfied from the documents provided in the hearing bundle that Applicant undertook section 20 consultation with the Respondent before the works were undertaken. The Applicant has not supplied invoices supporting the charges for major works. The Tribunal is, however, satisfied from the statement of accounts and the service charge demands that the Applicant has incurred the costs. The fact that section 20 consultation took place would indicate that the costs incurred were in the bounds of reasonableness. The statement of account reveals that Ms Jewel Minerva Poulis was making payments by monthly direct debit up to August 2009 which suggests that she accepted the costs of the repairs to the external and internal cracks to the property.
- 31. The costs of the major works are not recoverable as rent under the terms of the Lease. The question of whether the Limitation Act 1980 applied to the costs of the major works particularly those incurred in 2008/09 was not a matter for the Tribunal.
- 32. The Tribunal is satisfied that the Applicant has demanded the service charges including the major works in accordance with the statutory requirements. The Applicant has also complied with the terms of the lease in respect of certification of the actual amount due at the end of the financial year. The Tribunal observes that the Applicant has supplied no evidence in the bundle of service of

"Statement of Tenant Rights and Obligation" on the Respondent. The Tribunal suggests that the Applicant supplies copies of the "Statement of Tenant Rights and Obligations" to the Court otherwise the amounts determined by the Tribunal are not payable.

33. The Tribunal transfers the proceedings back to the Court for judgment. The Tribunal's determination is restricted to service charges including major works. The Tribunal has made no determination on ground rent, interest, and the impact of the Limitation Act 1980, if any on the costs of major works. The Tribunal reminds the Applicant to provide evidence to the Court of service of Statement of Tenant Rights and Obligations on the Respondent.

RIGHTS OF APPEAL

- 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.