

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/21UG/LSC/2024/0029

Property: 15 Great Sanders House,

**Hurst Lane, Battle** 

TN33 oPE

Applicant : Jennifer Cornish

Respondent : Great Sanders House

**Management Company Ltd** 

Representative : Ms Briggs (instructed by

**Kennedys Law)** 

Type of Application : Section 27A LTA'85

Tribunal Members : Judge Dovar

**Judge Taylor** 

**Mr Cotterell FRICS** 

Date and venue of

Hearing

23<sup>rd</sup> April 2025, Havant

Date of Decision : 7<sup>th</sup> May 2025

## **DECISION**

.\_\_\_\_\_

© CROWN COPYRIGHT

- This an application, dated 7<sup>th</sup> February 2024, for the determination of
  the payability of service charges for the years ending 2022 and 2023.
   The application form listed all the cost headings for each year and
  initially challenged the year ending 2021 as well.
- 2. On 22<sup>nd</sup> January 2025, a directions hearing was held. At that hearing, Ms Cornish confirmed that she only challenged expenditure relating to the roof and maintenance of the building generally and only for the years ending 2022 and 2023. She did not challenge the cost of insurance, water, cleaning, fire protection, gardening, electricity, water rates and management fees, those sums having been agreed between the parties. The parties were also given directions for filing their statements of case, witness statement and other evidence. The Respondent was given the option of instructing an expert on the issue of the works that had been carried out.

## **The Property**

- 3. The property is a converted school building with 15 residential flats set in around 5 acres. The Applicant was registered as the owner of the Property on 9 August 2022. The Respondent is the freehold owner and engaged Burkinshaw Block Management to manage the building.
- 4. Great Sanders House was converted into its present configuration as flats at some time between 1972 and 1987, having previously been occupied as a school. The redevelopment appears to have incorporated much of its original structure and also later building additions. The roof covering of the resulting development includes

pitched, slated roof areas to parts, alongside extensive elements of felted and sealed flat roofing elsewhere. The resulting roof is consequently a patchwork of different construction and roofing methods and materials, and evidently in varying states of repair.

5. One of the main issues concerned the roof

### **Demands**

- 6. The only demands made of the Applicant for the years in question were:
  - a. A demand dated 11 August 2022 (shortly after the Applicant purchased the Property) for £750 for major works for the year ending 29 September 2022;
  - b. Two interim demands for the year ending 2023, both in the sum of £1,591.73.
- 7. In respect of the first year, 2022, £750, the parties agreed that the total sum payable by the Applicant for the year ending 2022, was £250. The Respondent accepted that it had failed to comply with the statutory consultation requirements in respect of major works and so was limited to seeking that sum from the Applicant.
- 8. In respect of the second year 2023, the Respondent pointed out that these were interim demands and only interim demands had been made of the Applicant. Both parties agreed that interim demands were permissible under the lease terms. However, the Respondent

had provided no evidence as to how those figures had been arrived at; no budget had been provided justifying those amount.

9. However, the Tribunal had been provided with the actual accounts for the years ending 2022 and 2023. Whilst the former was no longer in question given the agreement set out above, it did help to inform what a reasonable budget could be. Further in respect of the actual figures provided for the year end 2023, the Respondent intended to and had used those figures to calculate any surplus or deficit figure owing at the end of the financial year when reconciled against the interim demands. That would deal with issues of payability for the year end 2023, both on account and any deficit.

#### Year end 2022

- 10. For the year end 2022, the Applicant queried the costs of repairs and maintenance of £12,732, as well as the repairs to the septic tank which cost £11,406, internal decorations of £2,316 and drains and gutters of £1,317.
- 11. The total cost for this year was £55,591. Under the terms of her lease, the Applicant's apportionment was 7.657% with the result that her contribution would have been £4,246.60. That was a significant increase on the previous year, which was £31,617 in total, with the contribution from her flat being, £2,420.91. The main reason for that appears to have been unexpected issues with the septic tank. Ultimately the Respondent cushioned the increase in 2022 by utilising reserves it had built up from excessive interim demands. Instead of

paying back any surplus to the leaseholders, it swept that off to a reserve fund.

### Year end 2023

- 12. For this year, the Applicant queried the cost of repairs and maintenance of £5,569.
- 13. The total costs were £37,003, with the result that the Applicant's share was £2,833.32. A marked move back to the position in 2022, prior to the problem with the septic tank. However, for this year the interim demands were £3,183.46 in total. This suggests an annual budgeted amount of £41,569; i.e. only £4,500 over budgeted. As has been noted above, there was no evidence from the Respondent as to how this figure had been arrived at.

### Actual cost of works to the roof

- 14. The Applicant was concerned about the reactive nature of the works to the roof. The Respondent would only carry out works to patch the roof in areas where problems had arisen. Notably when it leaked. This also then necessitated the requirement to redecorate internally. The Applicant was also critical of the fact that the contractor employed to carry out the roof works was a general builder rather than a roofer.
- 15. She also relied on a quote from an estimate provided by a contactor in 2024 which said 'Due to the complexity and design of the roof, not to mention the substandard previous attempts to fix the issue, the best

way would be to repair the issues found ...' The Tribunal has to deal with this with some caution as: a.) it is a comment on a quote, and the qualification of the author is not known; b.) there is potential for some unnecessary criticism given that the author was seeking to gain some work; and c.) the Applicant did not provide any of her own expert evidence on this issue. The Tribunal also notes that it was not being suggested that the entire roof needed replacing, but also appears to have advocated patch repair.

- 16. Mr Westgate MRICS, a building surveyor, gave evidence for the Respondent. He considered that it was prudent to plan for longer term maintenance of the roof but did not consider that what the Respondent was currently doing, vis a vis patch repair to the roof was inappropriate. One of the difficulties was the Respondent's concern that it did not have power under the Leases to build up a reserve fund for such works. Whilst Mr Westgate considered that some areas of the roof were beyond their lifespan that was not the case for the entire roof. He also considered, in answer to the Applicant's criticism of the workpeople used, that a general builder was adequate for the type of work undertaken.
- 17. The Tribunal notes that the cost for works to the roof over the year end 2022 were £12,732 and the following year £5,569. These figures are likely to pale into insignificance compared to the cost of replacing the entire roof on the Property; which appears to be what the Applicant was contending for. Further, those costs for patch repair, seem to the Tribunal as being at presently reasonably incurred and

within a range of options open to a landlord managing its property and allocating its resources. There was also no evidence that in respect of any of the patch repairs, that those specific works had not been successful and needed to be done again. Rather each patch was on a different patch of a large roof.

- 18. It does seem that shortly there will come a time when the cost of patch repair increases to the point that there will be no benefit in carrying out that type of work and the landlord will need to carry more extensive and comprehensive works to the roof. The Tribunal was told by the Respondent that such a scheme was in hand.
- 19. Therefore the Tribunal considers that the cost of the roof works were reasonable to incur and there was no evidence to suggest that the works were not of a reasonable standard (being the test under s.19(1) of the Landlord and Tenant Act 1985). Against that background, the Tribunal now considers the interim demands that have been made and the actual costs incurred for the year end 2023 which will impact on what is payable by the Applicant.

### **Interim Demands**

20. Although the Tribunal was concerned that no evidence was provided as to how the interim demands had been arrived at, given that the total of the two interim demands was less than the total expenditure in the year before, and only marginally greater than the year end 2021, it seems to the Tribunal that these were reasonable demands, and therefore satisfied the requirement of s.19(2) of the Landlord and

Tenant Act 1985; that a sum demanded in advance of the incurring of cost was reasonable in amount. It appears to the Tribunal that when the one off cost of the septic tank was removed, the budget allowed a small increase which was well within the margins of tolerance for what a landlord was entitled to do.

#### **Actual Costs Incurred**

- 21. In respect of the actual sums incurred, the Applicant's main complaint was the lack of proper work done to the roof, with the result that costs were being incurred not just on patch repair but also interior decorating due to leaks. For the reasons set out above, the Tribunal considers that these costs were justified.
- 22. The Tribunal notes that there is a surplus in respect of the sums demanded on account and the sum actually incurred. The Tribunal queries whether it is legitimate for the Respondent to sweep that off into reserves, or whether it should account to the Applicant for that surplus. However that is not a matter that this Tribunal can deal with.
- 23. A number of the other complaints related to matters that the Respondent had not done; i.e. internal redecorations. That is not a matter that this Tribunal can deal with as it does not touch on what sums if any are payable by the Applicant by way of service charge. If the Respondent has not charged for work not done, then the Tribunal's jurisdiction is not engaged.

#### Conclusion and s.20C

24. As a result of the above the application is dismissed. No deductions are made in respect of the sums challenged. The Respondent said that it was not going to put the cost of this application through the service charge, and in that event the Tribunal sees no need to consider whether or not to make an order restricting it from doing so under s.20C of the Landlord and Tenant Act 1985.

JUDGE DOVAR

## **Appeals**

A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a>.

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.

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.

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.