

**RESIDENTIAL PROPERTY TRIBUNAL
SOUTHERN RENT ASSESSMENT PANEL &
LEASEHOLD VALUATION TRIBUNAL**

Case No: **CHI/00ML/LIS/2007/0029**

Re: **10 Wilbury Gardens, Hove, East Sussex, BN3 6HY**

Between:

Ray Anthony Hale
("the Applicant")

and

Lisgo Charlton Limited
("the Respondent")

**In the matter of an Application under Sections 20C and 27A Landlord and Tenant
Act 1985 (Liability to pay Service Charges)**

Date of Hearing **Friday 14th December 2007**

Attendances: **The Applicant in person**

Mr Ray Anthony Hale

Mr J Richardson in attendance

For the Respondent:

Mr M Packwood of PPS Management Ltd

Members of the Tribunal: **Mrs B Hindley (Lawyer/Chairman)**
Lady Davies, FRICS
Ms T Wong

Date of the Decision: **20th December 2007**

1. This is an application under Sections 27A and 20C to determine the reasonableness of service charges invoiced in the years ending 28 September 2004 and 28 September 2006.
2. The service charges in question relate to the subject property - a house converted into five flats - managed by PPS Management Co Ltd on behalf of the respondents.
3. The Tribunal was informed that on 1 August 2006 a Right to Manage Company had taken over the management of the property.
4. The accounts for the year ending 28 September 2004 included, under the heading 'Repairs and Maintenance', the sum of £4178 28p.
5. The applicant had queried this sum with the managing agents prior to the hearing and they had accepted that it was possible, because the amount £2073.88p appeared in their cash book both on 13 June 2004 and on 1 July 2004, that it had been charged twice by mistake and that, therefore, the correct amount should have been £2073.88p.
6. At the hearing the applicant questioned the charge of £2073.88p because he alleged the cost should have been covered by insurance and also because it was not reasonable.
7. Questioned by the Tribunal the applicant explained that a leak had occurred in flat 4 which had caused damage to flat 2 (his flat) which was beneath.
8. Mr Packwood, on behalf of the respondents, said that he was unable to provide any information at all about the charge. The property manager who had dealt with the matter had left the company and he could not find the original estimate or any other paper records. There were new leaseholders in flat 4 and the contractor who had done the work was no longer trading. He had approached the insurance brokers and they had no record that an insurance claim had been made. He said that he would assume that the works had been satisfactory because no complaint had been made at the time.
9. The applicant said that he had managed to obtain an invoice from the contractor, who was still trading but under a different name. However, he queried whether there had been an insurance claim in view of the reference in the cash book of the managing agents, dated 13 June 2004, to an insurance claim.
10. In the complete absence of any supporting information concerning this charge the Tribunal determines it not to be reasonable and, therefore, not to be payable.
11. The applicant queried management charges contained in the accounts for the year ending 28 September 2006 on the basis that the charges of £75, £75, £100 and £2805. 70p appeared in the cash book of the managing agents on 1 August and 1, 28 and 17 September 2006 respectively, although the Right to Manage Company had taken over the property on 1 August 2006.
12. Mr Packwood explained that the managing agents charged a gross management fee of £900 per annum for the subject property. This was collected monthly at the rate of £75 per flat. However, for the year ending 28 September 2006 the fee had been increased to £1000 per annum but its collection had erroneously continued at the rate of £75 per month until 28 September when an adjusting charge of £100 had been imposed.
13. He said that the agents had been informed by the respondents that they were to cease managing the property as from 28 September 2006 and, therefore, management charges had continued until that date.

