

## FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

**Case Reference** CAM/42UD/LSC/2013/0131 :

**Property** Flat 4, 27 Tuddenham Road, Ipswich IP4 2SN :

27 Tuddenham Road Management Company Ltd, c/o **Applicant** :

The Maples, Akenham, Ipswich IP6 oHJ

Andrew C Cracknell (with him Ms P M Chamberlin) Representative :

Respondent , Ipswich IP4 4AB :

Type of Application Determination of liability to pay and reasonableness :

of service charges for the years 2008 to 2014

[LTA 1985, s.27A]

G K Sinclair, G F Smith MRICS FAAV REV and D W **Tribunal Members** :

Cox

Date and venue of

Hearing

Thursday 23<sup>rd</sup> January 2014 at Ipswich Magistrates Court

24th January 2014 **Date of Decision** 

DECISION

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- 1. 27 Tuddenham Road, Ipswich is a large semi-detached building of London brick construction under a hipped slate roof which occupies an elevated position on the north side of an attractive residential road to the east of the town centre. It is subdivided into five flats, of which two on the ground floor have their own main and rear external doors (giving access to their own rear gardens) while the other three share an external doorway and a staircase to their own individual front doors on the first floor. Behind the door to flat 5 is its own private staircase up to the second floor level.
- 2. Each of the flats is held on a lease in essentially similar terms granted for a term of 99 years commencing on 16<sup>th</sup> November 1993. The unexpired term is therefore less than 69 years, so the flats are at great risk of becoming unmortgageable. The leases require each flat to contribute a one fifth share of certain service charge expenses and each of the three upper flats in addition to contribute a one third share of the costs of maintaining and decorating the common stairwell.
- 3. Due to alleged past mismanagement the applicant company was established to acquire the freehold on behalf of the lessees of the five flats, but only four of them ever became members. Flat 4, the respondent's flat, is the odd one out. It seems that the company has been run on a shoe string and the property managed on a fixed annual budget plus insurance ever since and without the benefit of any professional input beyond an accountant who prepares the accounts and files all necessary returns with Companies House.
- 4. This application, as issued, seeks a determination of the respondent's liability to pay and the reasonableness of service charges from 2008 onwards as far as 2015. On 4<sup>th</sup> November 2013 the tribunal issued directions for trial. The first was that the respondent file and serve a short Statement in Reply to the application by Friday 22<sup>nd</sup> November 2013. She did not comply. Paragraph 2 required the parties to exchange documents, viz

...copies of all documents in his/her possession which are relevant to the issues in dispute (whether favourable or unfavourable) by close of business on Friday 29<sup>th</sup> November 2013. These must include all relevant quotations, estimates and invoices for works and services, relevant insurance certificates or renewals, etc. Failure to comply may mean that the tribunal will refuse to consider a document

Neither party complied. Paragraph 3 directed the filing and service of witness statements. There are none. Amongst the directions for the filing of a hearing bundle was a specific requirement that it include

...a copy of the annual service charge statement for each year in question and each service charge demand addressed and sent to the Respondent (with any supporting documentation) which are relied upon,...

The only documents included were annual invoices for ground rent and service charge.

5. None had an accompanying summary of tenants' rights in relation to service charges, as required by the Service Charges (Summary of Rights and Obligations, and Transitional Provision) (England) Regulations 2007. The document must contain the prescribed heading and text and must be legible in a typewritten or printed form of at least 10 point.<sup>2</sup>

SI 2007/1257

Op cit, reg 3

- 6. did not attend the hearing, respond to or participate in the proceedings at all. Tellingly, however, amongst the correspondence at tab 8 in the bundle was a letter from her to "Ms R and Ms C" as officers of the company dated 7<sup>th</sup> August 2009 in which she purported to advise them of their obligations under the lease and to consult her, and at g) (iii) that none of the company's demands for payment of her contribution had been made correctly.
- 7. At the hearing Mr Cracknell confirmed that no advice had ever been sought on this latter point. He also confirmed that he was unaware of the need to serve the required printed summary of tenant's rights with service charge demands, and accepted that without sight of any invoices for works done, services supplied and insurance premiums the tribunal had no evidence with which even to determine the sums that would be payable by way of service charge once the respondent had been served with the relevant summary.
- 8. In the circumstances the tribunal can only decline to make any determination on the ground that no evidence has been put before it. The applicant will have to start again, but when doing so must ensure that the tribunal is provided with the necessary evidence enabling it to make findings of fact.
- 9. The tribunal urged the applicant company to seek legal advice from either the Leasehold Advisory Service or from a suitably experienced solicitor or managing agent before returning to the tribunal.

Dated 24th January 2014

Graham K Sinclai

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Graham K Sinclair Tribunal Judge