



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

**Case Reference** : LON/00AY/LSC/2017/0459

**Property** : Flat 5, 42 Montrell Road, Streatham Hill, London SW2 4QB

**Applicant** : Goldpoint Investments Ltd

**Respondent** : Ranjani P Eesvaran

**Type of Application** : Liability to pay service charges

**Tribunal** : Judge Nicol  
Mr S Mason BSc FRICS FCI Arb

**Date of Decision** : 5<sup>th</sup> February 2018

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**DECISION**

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The service charges listed in paragraph 1 below are payable by the Respondent to the Applicant.

Relevant legislative provisions are set out in the Appendix to this decision.

**The Tribunal's reasons**

1. The Applicant is the freeholder of the subject property, a studio flat on the top floor of a three-storey converted house. The Applicant has applied for a determination under section 27A of the Landlord and Tenant Act 1985 that the following service charges (excluding the ground rent) are payable by the Respondent:

- 2010 £1,024.26
- 2011 £971.77
- 2012 £978.16

• 2013	£878.13
• 2014	£855.82
• 2015	£849.33
Total	£5,557.47

2. The Tribunal issued directions on 6<sup>th</sup> December 2017. The Applicant complied with them, including preparing a schedule with a column for the Respondent's comments. The Respondent did not submit anything. At the hearing scheduled for 5<sup>th</sup> February 2018 the Applicant was represented by Mr Paul O'Callaghan of counsel but the Respondent did not attend.
3. Mr O'Callaghan informed the Tribunal that the Respondent lives at the subject property and the Applicant has no other address for her. He said a number of letters had been sent before these proceedings without any response. The Tribunal also noted that the application and the directions had been sent to the Respondent at the subject property. The Tribunal is satisfied that the Respondent has been properly notified of these proceedings and the hearing.
4. The Applicant provided a bundle of relevant documents, including invoices from Blue Orchids Management Services, service charge accounts for each year in question, service charge demands and insurance certificates and schedules. The documents show expenditure was incurred on management and preparation of accounts, clearing rubbish, garden maintenance, building repairs and decoration and building insurance.
5. There was nothing on the face of the documents to suggest that there was anything in the charges which could be disputed. In the absence of any objections from the Respondent, the Tribunal had no option other than to determine that the charges are payable.

**Name:** NK Nicol

**Date:** 5<sup>th</sup> February 2018

## **Appendix of relevant legislation**

### **Landlord and Tenant Act 1985 (as amended)**

#### **Section 18**

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
  - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
  - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
  - (a) "costs" includes overheads, and
  - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

#### **Section 19**

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
  - (a) only to the extent that they are reasonably incurred, and
  - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard; and the amount payable shall be limited accordingly.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

#### **Section 27A**

- (1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to -
  - (a) the person by whom it is payable,
  - (b) the person to whom it is payable,
  - (c) the amount which is payable,
  - (d) the date at or by which it is payable, and
  - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified

description, a service charge would be payable for the costs and, if it would, as to -

- (a) the person by whom it would be payable,
  - (b) the person to whom it would be payable,
  - (c) the amount which would be payable,
  - (d) the date at or by which it would be payable, and
  - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
- (a) has been agreed or admitted by the tenant,
  - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
  - (c) has been the subject of determination by a court, or
  - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.