RESIDENTIAL PROPERTY TRIBUNAL SERVICE LEASEHOLD VALUATION TRIBUNAL

LANDLORD & TENANT ACT 1985: SECTION 27A

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

Case No: CHI/00MS/LSC/2006/0102

Property: Flat 23 Grenville Court

Silverdale Road Southampton SO15 2TD

Applicant: Banister Management Co Ltd

c/o Mr Andrew Taylor

Respondent: Mrs E H Clifford

Date of Application: 2 October 2006

Members of the Tribunal: Mrs B Hindley (Chairman)

Mr D L Edge FRICS

Mrs M Phillips

Date decision issued: 19 December 2006

- 1. An application, dated 2 October 2006, was made by Mr A. Taylor, in his dual capacity as company secretary of Banister Management Co Ltd, the freeholders, and as managing agent, through his company Bourne Estates Ltd., of the subject property, for a determination of the reasonableness and, therefore, the payability of service charge costs for the year ending 31 March 2006 and the budgeted costs for the year ending 31 March 2007.
- 2. On the morning of the day of the hearing the Tribunal inspected the subject property accompanied by Mr Taylor. The Tribunal visited the respondent at her flat (No 23) but she said that she did not wish to be present at the inspection and would not be attending the hearing.
- 3. The Tribunal found the property to be an elongated, three storey block, plus basement car parking (68 spaces) which ran the length of the building. The basement was open at both ends and the side walls were only partially bricked.
- 4. The block comprised 51 one and two bedroom flats and was entered via nine communal, quarry tiled hallways and landings. Some of the communal staircase windows were the original wooden windows and these appeared to be in poor repair and rotten in parts. The communal doorways on the front of the building had been replaced some time ago and the rear were in the process of replacement.
- 5. The block was built on a long, sloping, irregularly shaped and quite densely wooded, site and had limited garden provision but many tall trees within its boundaries.
- 6. The block, at the head of a cul de sac, was accessed via an adopted road (the lay byes of which were private) leading to a private footpath to Northlands Road. The footpath also formed part of the estate.
- 7. At the hearing Mr Taylor explained that the block had been built in 1969 1970 for the Maybrook (Southampton) Housing Society Ltd. Bourne Housing Society Ltd had been the management company and as secretary of the co ownership society he had had a long association with the property.
- 8. Mr Taylor drew the Tribunal's attention to the provisions of the lease of Flat 23, dated 31 March 1983, for a term of 999 years at a peppercorn rent, relevant to the collection of one 51st share of the service charge costs from each of the leaseholders. This was to be paid in advance by monthly instalments (presently set at £60 per month) due on the first day of each month, with certified accounts being provided as soon as reasonably practical at the end of each accounting year (31 March), with any over payment being credited against the next due payments.
- From their perusal of the lease provisions the Tribunal was satisfied that the heads of expenditure listed were all recoverable under the terms of the lease.
- 10. The Tribunal noted that the respondent had not responded to the Directions issued by the Tribunal on 18 October 2006 nor had she chosen to take part in the hearing.
- 11. The Tribunal, therefore, examined the accounts for the service charge year ending 31 March 2006 and Mr Taylor was asked to provide the invoices in support of the individual costs shown. Because the accounts were prepared on an accrual basis it was not always easy to reconcile the total shown in the accounts with the invoices provided under each heading. However, after carefully questioning Mr Taylor about each item the Tribunal was satisfied that the certified costs of £38,404 were reasonable and reasonably incurred for the year ending 31 March 2006.

- 12. The Tribunal then examined the budget for the year ending 31 March 2007. They took comfort from the consistency of the service charge costs shown for the years 2005, 2006 and 2007. Noting that Mr Taylor explained that there had been small increases in the management fee from £95 to £105 to £110 per flat, in all cases plus VAT, changes of contractors concerned with cleaning and gardening and unpredictable tree surgery the Tribunal considered the budget of £36,720 plus £11,985 for the completion of the ad hoc, ongoing replacement of the windows in the common parts, to be reasonable.
- 13. Accordingly, the Tribunal determines that the service charge costs, payable at the rate of £60 per month, are payable for the year ending 31 March 2006 and at the rate of £60 per month plus an additional, one off sum of £235, for the year ending 31 March 2007.
- 14. Mr Taylor requested reimbursement by the respondent under Regulation 9 of the LVT (Fees) (England) Regulations 2003 of the fee of £500 paid by the applicants in respect of the proceedings. In the circumstances of the respondent's total failure to respond to requests for payment or to take any part in the proceedings the Tribunal was satisfied that it was just and equitable to make such an order.

Chairman 3 Not andley

Date 18/12/06.