RESIDENTIAL PROPERTY TRIBUNAL SERVICE LEASEHOLD VALUATION TRIBUNAL LANDLORD AND TENANT ACT 1985 – SECTION 27A & 20C

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Premises: Flat 24, Reading House, Friary Estate, Peckham, London SE15 1RS **Applicant:** The London Borough of Southwark Mr. O Strauss, Legal officer **Represented By:** Ms. Jean Denva Douse **Respondent: Represented By:** In person Tribunal: Ms. LM Tagliavini, Barrister & Attorney-at-Law (NY) Mr. S Mason, FRICS Mr. O Miller, BSc Hearing Date: 19th October 2010

LON/OOBE/LSC/2010/0449

 This matter concerns a referral from the Lambeth County Court seeking a determination of the reasonableness of services charges said to be owed by the Respondent for major works carried out in 2009/2010. By a lease dated 11 October 2004, the Respondent was granted a term of 125 years with effect from that date at a

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ground rent of £10 per annum. The subject premises comprise a three bedroom flat on the first floor of a five-storey purpose built block of flats forming part of a larger estate. The Respondent's share of the major works is said to amount to £9,024.97, taking into account the effect of the section 125 notice setting out the Respondent's likely contribution to capital works, and notified at the time of the Respondent's exercise of her "right to buy". The Respondent seeks to challenge the standard of works and their cost, specifically in relation to the double-glazed windows that have been installed.

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- 2. The Tribunal was provided with two lever arch files of documents on which the Applicant sought to rely. Included were a number of witness statements from employees and personnel who had dealings with the major works project. In addition the Tribunal was provided with a copy of the lease, specification of works as well as the consultation notices. The Tribunal was told that full consultation had been carried out for these works, which were carried out under a partnership agreement. This agreement had itself had been previously subject to dispensation granted by the Leasehold Valuation Tribunal on 21/04/04, Ref LON/OOAP/LDC/2004/00.
- 3. Mr. Nauman, Associate Surveyor at Brodie Plant Goddard Ltd, the lead consultant in the Partnering Agreement between the applicant and Apollo in Partnership Ltd. told the Tribunal that the condensation problem complained of by the lessee had always been present. Previously it had manifested itself by collecting on the single glazed window units that had been in situ. In 2002 work of dry lining had been carried out in some areas to help alleviate this problem. Since the installation of double-glazing the windows were no longer the focal point for the cold bridging which led to condensation appearing on the walls of two of the three bedrooms.

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chargeable costs to the Respondent would have been considerably higher and in the region of £24,000.

The Respondent's Case:

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6. Ms. Douse told the Tribunal that her major concern was how she was going to be able to pay for these works billed to her. It was accepted that the work had been done to a satisfactory standard and she now understood how the costs had been apportioned to her flat. The Respondent did not seek to challenge any other matters in respect of the cost of and charges arising from these major works, although did raise a query as to whether leaseholders were being charged electricity costs for the entry-phone system. It was explained that the freeholder does not utilise leaseholders electricity in providing communal services.

Inspection:

7. On inspection of the morning of the hearing, the block presented as a well cared for block of flats forming part of a larger estate. The Tribunal had noted the drains spoken of and the higher water-stop step created as a result. Inside the Respondent's flat the Tribunal noted the mould and condensation patched in two of the bedrooms but also noted the reasonable quality and workmanship of the window installation.

The Tribunal's Decision:

8. The Tribunal is satisfied that full and proper consultation for these major works was gone through by the Applicant. The works have been carried out to a reasonable standard and although there remains an issue of condensation in the Respondent's flat, the

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Tribunal is persuaded this is on balance, due to a design defect in the structure of the flat itself rather than a defect in the works of window installation. Similarly, the Tribunal understands the rationale for creating a drain in the walkways to allow water to flow away, rather than creating and flooding and slip hard on the stairs. Although this has resulted in the top step being marginally higher, the Tribunal regards this as a minor inconvenience, which is likely to become automatically accommodated by the residents using the stairs.

9. In conclusion, the Tribunal finds that the costs of these major works claimed by the Applicant, are reasonable and payable in full. The Tribunal is satisfied that the relevant terms of the lease allow for the recovery of these service charges and the method of calculation is reasonable. Any issues as to interest accrued must be dealt with by the County Court.

Section 20C Costs:

10. The Applicant did not seek to add the legal costs incurred in the Leasehold Valuation Tribunal to the service charges but requested a reimbursement of the hearing fee of £150. Ms. Douse stated that she would not be able to pay that sum. The Tribunal is of the opinion, that this sum represents only a fraction of the real costs incurred by the Applicant in bringing this application to the Tribunal. However, the Tribunal is of the view that the issue of interest and all costs should properly be dealt with in the County Court.

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Dated: 2 December 2010