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# LEASEHOLD VALUATION TRIBUNAL

#### OF THE

# NORTHERN RENT ASSESSMENT COMMITTEE DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

# LANDLORD AND TENANT ACT 1985

# Section 20ZA

Property:

1-35 Parkgate Court, Wilderspool Causeway,

Warrington WA4 6QP

Applicant:

Trinity (Estates) Property Management Ltd

Respondents:

Leaseholders of 1-35 Parkgate Court

(as scheduled)

Tribunal:

L J Bennett (Chairman)

Alan Robertson FRICS

Date of Determination:

15 July 2010

## **Application**

- 1. The Applicant Management Company applies to the Tribunal under Section 20ZA of Landlord and Tenant Act 1985 (the Act) for dispensation from the consultation requirements of Section 20 of the Act and in the Service Charges (Consultation Requirements)(England) Regulations 2003 (SI 2003/1987) in respect of lift repairs at Parkgate Court. The completed application form asked for the application to be dealt with on the fast track and as a matter of urgency.
- 2. The Respondents are the individual Leaseholders of the 35 flats at the Property. The Applicant provided a copy a draft lease as an example of the flat leases which were stated to be in common form.

# **Preliminary**

3. On the 24 June 2010 Mr Laurence Bennett, a Vice President of the Tribunal as Procedural Chair, made directions which stated that it was considered the matter could proceed by way of documentary and other written evidence without a hearing.

The directions gave an opportunity for any parties to request a hearing at which to present oral evidence and submissions.

- 4. Neither the Applicant nor a Respondent requested a hearing. In accordance with the directions the Applicant provided documentary evidence and submissions. No response was received from a Respondent.
- 5. The Tribunal convened without the parties to make its determination on 13 July 2010.

#### Leases

- 6. The Applicant is a party to the Lease under which it covenants with both Lessor and Lessee as is set out in the Seventh Schedule.
- 7. Clause 3 of the Seventh Schedule requires the Management Company "To keep the Reserved Property and all fixtures and fittings ...... in good and substantial state of repair ...... including the renewal and replacement of all worn and damaged parts and including ..... all apparatus, lifts, equipment, plant and machinery serving the Reserve Property."
- 8. The Reserved Property is defined in Paragraph 1 of the Lease by reference to the Second Schedule and includes "Main entrance, halls, passages, landings, staircases, refuse rooms ......to be used in common by the Lessee and the Owners or Occupiers of the Other Apartments."
- 9. The Estate is defined by reference to the First Schedule and includes the Property (although referred to in the sample Lease as Gainsborough Court).
- 10. The Lease contains provisions for payment of a Service Charge by the Lessee to the Management Company being a proportion of costs and expenses, outgoings and reserves incurred or made by the Management Company.

## Grounds and submissions

- 11. The qualifying works required are to a lift situated in the block containing Apartments 19-35.
- 12. The Applicant states: "The lift has suffered intermittent faults and has now ceased to work necessitating the repair. Estimates have been obtained from two independent contractors ....."
- 13. The estimates were submitted with the application originated from Otis Ltd and Derwent Lift Services Ltd and include quotations for removal and replacement of a ram/piston rod.
- 14. The Applicant states: "As a consequence of the nature of the repairs required to the lift and the fact that residents are currently unable to use the lift we have elected to dispense with the consultation process. The residents are aware and supportive ............. The residents are unable to use the lift at the premises and there are a umber of elderly residents in the block concerned. Accordingly we wish to

undertake the repairs to the lift sooner than would be otherwise possible were we to proceed with the consultation process."

#### Law

- 15. Section 18 of the Act defines "service charge" and "relevant costs".
- 16. Section 19 of the Act limits the amount payable by the lessees to the extent that the charges are reasonably incurred.
- 17. Section 20 of the Act states:-

# "Limitation of service charges: consultation requirements

Where this Section applies to any qualifying works..... the relevant contributions of tenants are limited...... Unless the consultation requirements have either:-

- a. complied with in relation to the works or
- b. dispensed with in relation to the works by ..... a leasehold valuation tribunal. This Section applies to qualifying works, if relevant costs incurred on carrying out the works exceed an appropriate amount".
- 18. "The appropriate amount" is defined by regulation 6 of The Service Charges (Consultation Requirements) (England) Regulations 2003 (the Regulations) as "...... an amount which results in the relevant contribution of any tenant being more than £250.00."

#### Tribunal's Conclusions with Reasons

19. We carefully considered the written evidence and submissions accompanying the application.

Our conclusions are:-

- 20. We are satisfied that the Applicant has an obligation to carry out the work to the lift stated necessary.
- 21. In the circumstances described we accept that the work is urgent to avoid undue hardship and inconvenience to vulnerable Leaseholders and Occupiers.
- 22. Noting the steps taken by the Applicant which include consideration of separate quotations we conclude it reasonable in accordance with Section 20ZA(1) of the Act to dispense with the consultation requirements, specified in Section 20 and contained in Service Charges (Consultation Requirements)(England) Regulations 2003 (SI 2003/1987), in respect of the proposed lift works.

# Order

23. The Application is dispensed from complying with the consultation requirements in respect of repairs to the lift.

L Bennett Chairman 15 July 2010