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REF LON 00AW/LSC/2011/0779

IN THE LEASEHOLD VALUATION TRIBUNAL

IN THE-MATTER OF THE LANDLORD AND TENANT ACT 1985 SECTION 27A

AND IN THE MATTER OF 124 Queens Gate London SW7 5LJ

Applicants Mr B Bentley, Mrs J Bentley and Mr T

Neville

Represented by Mr McGilliycuddy Quadrant Property

Management Limited

Respondent s Mr G Milosevic Flat 1

Mr A Jamo Flat 2

Miss L and Miss A Russell Flat 3

Wallshire Limited Flat 4
Bankway Properties Limited
Octavus Properties LLP

T D and C J Neville Rear basement

flat

Represented by Ms C Theodoulides of Flat 3

accompanied by Mr Russell

The Tribunal
Mr P Leighton LLB (Hons)
Mrs J Davies FRICS
Mrs L Hart

Hearing Date 19th January 2012

<u>Date of Decision</u> 19th January 2012

Introduction

- By an application dated 11 November 2011 Quadrant Property
 Management Limited applied on behalf of the freehold owners of 124
 Queens Gate London SW7 5LJ for a determination by the tribunal as
 to the liability of the leaseholders in that building to pay service
 charges pursuant to section 27A of the Landlord and Tenant Act 1985
- Directions were given on 23 November and the matter originally listed for hearing on 20 December 2011. One of the leaseholders Mr Jamo of Flat 2 objected to that date and asked for a further adjournment stating that he had consulted other leaseholders for that purpose. As a result the tribunal granted an adjournment of the hearing until 19 January 2012 when Mr McGillycuddy of Quadrant Property Management and Mr T Neville one of the freehold owners appeared on behalf of the Applicants and Ms Theodoulides the aunt of Miss L and Miss A Russell the leaseholders of Flat 3 appeared on behalf of those Respondents. Mr Jamo did not appear at the hearing
- The property in question is a large Victorian house in Kensington which is divided into seven flats. The liabilities of the respective leaseholders are apportioned with each paying a different percentage. Flat 3 which is situated on the first floor is liable for 20%, The two flats in the basement contribute up to a total of 14% and Flat 2 has a liability for 18%. The remaining flats bring the figure up to 100%
- On 17 March 2009 the London Fire Emergency and Planning Authority served on the freeholder a notice specifying that certain works needed to be urgently carried out. As a result the landlord served notices under section 20 of the Act on the leaseholders on 20 September 2010 to enable the works to be carried out. One objection was received namely from Flat 3.
- The matter then proceeded to tender and the Applicants obtained tenders from four contractors the lowest of which was from Scana Ltd

trading as Brown Electrical Services in the sum of £19,215 plus VAT and the largest of which was from Parkway Electrical which was in excess of £36,000. The landlord proposes to accept the lowest tender to which they propose to add fees of 12.5% representing their own management supervision fees and a further sum of £3,211.32 plus VAT for a Mr Dwyer a consultant who was involved in giving advice regarding the electrical mains at the property

- It appears that Mr Dwyer's fees were included in the service charge demands for the year 2009/10 and in most cases the leaseholders have paid this sum
- The tribunal was informed that the only objections received were from Flats 2 and 3. Flat 1 did not object but has not yet paid. Flat 3 although having objected has in fact paid its share of £5926.44 and all the other leaseholders appear to have paid their share except Flat 2 which means that 28% of the cost of the works has not been received.
- 8 Mr McGillycuddy indicated to the tribunal that the works could not proceed until 85% of the contributions had been received. This would involve payment from Flat 1 and also from Mr Jamo in Flat 2
- The tribunal is satisfied on the evidence that the works specified in the notice from the fire authority were necessary for the protection of the building. The tribunal is also satisfied that the freeholder carried out proper consultation within the meaning of Section 20 of the Act and the Service Charge Consultation Requirements regulations 2003.
- 10 It is also clear that the estimates received were obtained after competitive tender and the landlord has properly agreed to accept the lowest tender. The tribunal was informed that the contractor is prepared to hold the tender figure and it is clear in the circumstances that that figure is reasonable.
- 11 Ms Theodoulides raised an issue as to the costs of the hearing but it appears that the only costs likely to be charged are Mr McGillycuddy's expenses which amount to less than £20. In the circumstances the

tribunal does not make any order under Section 20C of the Act and it appears that the leaseholders will not be required to pay any significant costs in relation to these proceedings

With regard to the tribunal fees, the Applicants have incurred total fees of £500 which in the view of the tribunal were properly incurred and should be recovered in principle against all the Respondents.

However most of the Respondents had already paid their service charges and contribution to the major works by the date of the hearing and the tribunal is of the opinion that the only reason why the tribunal hearing had to go ahead was the actions taken by Mr Jamo who continues to object and has refused to pay in the circumstances and failed to attend the hearing after requesting an adjournment. The tribunal sees no reason why Mr Jamo should not meet the whole of the costs of £500 incurred by the landlord in bringing this application.

Chairman

Peter Leighton

Date

19th January 2012