

12493



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

Case Reference : **LON/OOBE/LSC/2016/0293**

Property : **Helen Gladstone House, London SE1 0QB**

Applicant : **London Borough of Southwark**

Representative : **Mr Peter Cremin, Legal Department
Miss Jennifer Davis and Miss Diana Lupulesc**

Respondent : **Greta McFarlane
Sean Stevens**

Representative : **In person**

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

Tribunal Members : **Tribunal Judge Dutton
Mr T W Sennett MA FCIEH
Mr C Simons**

**Date and venue of
Hearing** : **10 Alfred Place, London WC1E 7LR on 3rd
November 2017**

Date of Decision : **28th November 2017**

DECISION

DECISION

1. The Tribunal sets out below the findings it has made on the various heads. In addition, annexed to this decision is the Scott Schedule in which the Tribunal has indicated their findings in respect of specific matters under dispute.
2. The Tribunal makes a finding under section 20C of the Landlord and Tenant Act 1985 (the Act) considering it just and equitable so to do for the reasons set out below.
3. If the Applicant is intent on seeking to recover interest in respect of any outstanding service charge monies, that element is referred back to the County Court to be dealt with there. The claim number is C80YJ555.

BACKGROUND

1. This matter has a somewhat convoluted procedural history. On 4th November 2016 this Tribunal concluded that it had jurisdiction to determine both the payability of a balancing charge and also the reasonableness of service charge costs that gave rise to it. That decision was made following a referral to this Tribunal by the County Court at Lambeth in claim number C80YJ555 who made an order on 13th July 2016 transferring the matter to the First Tier Tribunal for determination.
2. Applications for permission to appeal and cross appeal were made by the parties to the Upper Tribunal in case LRX/35/2017. Those applications were stayed until a final determination by the First Tier Tribunal on the substantive proceedings. Directions were given in that decision which is dated 16th June 2017. As a result, the matter came back to the First Tier Tribunal when directions were issued on 18th July requiring the matter to come back for hearing on 3rd November 2017. It is on the basis of that direction that the matter came before us on that date.
3. It is perhaps worth noting some of the background in the directions order of 18th July 2017. It is recorded at paragraph (5) as follows:-
“The Respondent requests me to determine Mr Stevens’ liability as a preliminary issue. I decline the request. As this case demonstrates, the direction of a preliminary issue more often than not results in further delay and increased costs. This case has already become a procedure quagmire. I am satisfied that all the outstanding issues should be brought before a Tribunal at the same time for a final determination.”
Continuing on in sub-paragraph (6) *“Equally I reject the Respondent’s request for a further stay pending a determination of their application to the Court for what amounts to a determination of Mr Steven’s liability. The case in its entirety was transferred to this Tribunal and it has jurisdiction to determine the issues. Any order made by the Court will doubtless be considered by this Tribunal at the hearing.”*
Then (7) *“Finally the Respondent requests me to “reconcile” the Tribunal’s position on two grounds. The first is that one disputed cost has already been determined by the Tribunal at a previous decision. The second is an assertion that it cannot be right that the Respondent “has no legal right to challenge the balance in charge on the basis of unreasonableness.”*

Sub-paragraph (8) *"The Respondent is effectively requesting me to determine aspects of the case in correspondence and I am not prepared to do that. The issues identifiable will be considered by the Tribunal at the hearing, although as an aside I would point out that the Respondent is clearly entitled to challenge the reasonableness of costs incurred in 2011/12 that gave rise to the balancing charge."*

4. Prior to the hearing on 3rd November we were provided with a bundle of documents which contained the County Court documentation and the previous Tribunal orders, directions and the Upper Tribunal order. In addition, we were provided with Scott Schedules for each year and a witness statement of Diana Lupulesc which has various exhibits attached. We also had a copy of the lease and party and party correspondence. Finally, a Tribunal decision in August of 2014 under reference LON/OOAB/LSC/2014/0226 was included. We should perhaps briefly set out that which was decided in that 2014 decision. In that case, the Tribunal determined that the Respondent's charges, that is to say the London Borough of Southwark, for hot water in the years 2012/13 and 2013/14 in the sums set out in the decision were reasonable and payable. It also records that the Council conceded that Miss McFarlane was not liable in respect of a claim for heating charges in 2012/13 and 2013/14.
5. The only witness statement that was available to us was that of Miss Lupulesc. Neither of the Respondents had provided witness statements but sought to rely on the comments set out on the Scott Schedule. We will refer to that in more detail in due course.
6. At the commencement of the hearing, Mr Stevens helpfully set out six elements that he wanted us to consider. These were as follows:
 - His liability in respect of all service charges during the years.
 - The heating and hot water demanded in October of 2011/12.
 - The costs of major works in connection with a temporary boiler for which no section 20 consultation appeared to be undertaken in 2011/12.
 - An allegation that the allocation of costs was not compliant with the terms of the lease.
 - That charges fell outside the 18 month rule under section 20B of the Act.
 - Finally, allocation to the cost in respect of Virgin Media's use of the subject block.
7. Before we turn to the schedule, which we have completed and is attached, we will address the various points that Mr Stevens asked us to deal with.
8. Insofar as his liability was concerned, he told us that he had not taken an assignment of an interest in the lease until 3rd July 2015 and that, therefore, he was not liable for any costs before that date. The flat is now held in the joint names of himself and Miss McFarlane as tenants in common.
9. Mr Cremin conceded that he was not liable for any costs up to 2014/15 but he was liable for the costs from 2014/15 onwards as the 'actual' costs had not been served until September of 2015. Mr Cremin took us to the lease, which was in the

bundle, and paragraph 5(1) of the third schedule under the heading Annual service charge. This reads as follows: "*5(1) If the service charge for the year (or in respect of the first year hereof the apportioned part thereof) exceeds the amount paid in advance under paragraph 2 or 3 of this schedule the lessee shall pay the balance thereof to the Council within one month of service of the said notice.*" What appears to have happened in this instance is that on 24th September 2015, the Council wrote to both Respondents giving them details of the actual annual service charge for 2014/15. Attached to that was the 'actual' service charge costs showing a figure of £1,965.24 being due. Accompanying that service charge demand was a credit note for £3,444.29. The reason for this is that the estimated service charge had originally been £5,409.53. The 'actuals' had come in considerably below that.

10. Mr Stevens' case appeared to be that the provisions of section 23(1) of the Landlord and Tenant (Covenants) Act 1995 afforded him protection. This says as follows: "*23(1) Where as a result of an assignment a person becomes, by virtue of this act, bound by or entitled to the benefit of a covenant, he shall not by virtue of this act have any liability or rights under the covenant in relation to any time falling before the assignment.*" As we know the assignment took place in July of 2015. His case is that at the time of the demand served in September 2015, there was a credit of £3,444.29 and that strictly speaking, therefore, there was nothing owing.
11. In fact, the position appears to be that Miss McFarlane had made no payments in respect of the estimated service charge and that although that was on the fact of it excessively high the actual costs of £1,965.24 remain due and owing and were due and owing at the time that the demand was sent to both Mr Stevens and Miss McFarlane in September of 2015. Mr Stevens conceded that if there had been an under-assessment of an estimated charge, he would have been liable for the actual costs insofar as they exceeded the estimate. This seems a somewhat unusual proposition to put forward when he sought to rely on section 23(1) of the 1985 Act which refers to any liability or rights in a time falling before the assignment.
12. It seems to us that the answer to this rests with the provisions of section 23(1) and the facts relating to the demand for the sum of £1,965.24. This demand was not made presumably because the Council had not finalised its accounts until September 2015. That is the time at which it became payable. That is a time falling after the assignment of a share in the property to Mr Stevens. In addition also, his concession that if the estimated charge had been less than the actual costs he would have been liable to have paid the difference seems to sit uncomfortably with his assertion that he has no liability in respect of this demand, which was made some two months or more after had the benefit of the assignment. We therefore find that he has a liability in respect of the sum of £1,965.24.
13. We turn next to the question of the hot water and heating costs. The 2014 decision indicated a concession by the Council in respect of heating charges for the period 2012/13 and 2013/14. We are required only to consider the service charge costs for the period 2011/12 through to 2014/15. Notwithstanding the decision of the Tribunal concerning these two years, the Council seeks to recover

heating costs for 2011/12. In fact, in the course of the hearing and as an example of a pragmatic approach, which was at times adopted by both sides, Mr Cremin conceded that there was no evidence to show that from the time Miss McFarlane purchased the flat there had been heating and this claim was, therefore, removed from the dispute before us and it was agreed that there was no liability on the part of Miss McFarlane for heating costs.

14. The next matter we were required to deal with was the major works incurred in respect of a temporary boiler. The facts appear to be that the boiler, which is situated in the block in which Miss McFarlane and Mr Stevens' flat is to be found, was not working between, it seems September 2011 and February of 2012. A temporary boiler was installed so that during the winter months there was heating and hot water and repairs could be carried out to the existing boiler. The issue appeared to settle around the lack of section 20 consultation. Mr Stevens requested sight of documents explaining why there had been no such consultation. The reason for this is that Miss McFarlane appears not to have taken a transfer of the flat until 4th May 2012. Matters were somewhat complicated because a deed of rectification was also entered into at that time but by reason of the findings of the Tribunal in November of 2016 such deed must have been after Miss McFarlane had become an assignee of the original lease. As a consequence, Miss McFarlane was liable for a balancing charge of which these boiler works formed part. The reasons for this are clearly set out in the decision dated 4th November 2016. What also concerned Mr Stevens was that the Council must have been aware of this position yet apparently made no disclosure of same in pre-contract enquiries that were raised of them.
15. Mr Cremin for the Council expressed the view that the matters needed to be carried out urgently and without consultation. As issues were raised as to the cost of the temporary boiler/fuel but Mr Cremin's answer was that did not form part of the consultation. He did accept, however, that the installation of the boiler was a matter that would require consultation but the question of the fuel costs could and should be dealt with under section 27A. The Council indicated that it would be making an application for dispensation in due course.
16. In the absence of any such dispensation, it is our finding that consultation was required and that accordingly the costs associated with the installation of the temporary boiler are limited to £250. If the Council proceeds to deal with the dispensation application, then it will be open to the Respondents to put forward such submissions they would need to make which may give them some protection under the principles set out by the Supreme Court in *Daejan v Benson*.
17. As a matter of comment, it seems to us that in their application for dispensation the council would need to explain why Miss McFarlane was not advised of these potential costs in the pre-contract enquiry form.
18. The next issue that we were asked to consider was the allocation, which it was said was not compliant within the terms of the lease.
19. The paragraphs relied on by Mr Stevens are 6(1) and (2) of the third schedule to the lease under the heading Annual service charge. They say as follows: "*6(1) The service charge payable by the lessee shall be a fair proportion of the costs*

and expenses set out in paragraph 7 of this schedule incurred in the year. (2) The Council may adopt any reasonable method of ascertaining the said proportion and may adopt different methods in relation to different items of costs and expenses."

20. Mr Stevens told us that Helen Gladstone House comprises a smaller four-storey block with 12 maisonettes, one of which contains the maisonette that they own, but adjoined also by a tower block containing 48 flats in 12 storeys. These are numbered 222 to 269. It was pointed out to us that six of the properties in the smaller block have access to the street and no common parts and that six properties on the second floor level, have steps up and balconies.
21. It became apparent from questioning and perusal of the papers before us that there is in fact an apportionment between these two buildings. Matters are further complicated by the fact that the lease, which was provided to us, appears to have a handwritten amendment defining the building as 210 to 221 Helen Gladstone House. However, the Land Registry plan that we saw, indicates that Helen Gladstone House appears to be shown as the one building containing all properties from 210 to 269.
22. At the end of the day, however, it seems that there was only the care and upkeep and grounds maintenance that actually caused concern. Apportionment of other expenses appeared to be acceptable to the Respondents. The explanation for the various costs and the method of apportionment is set out in the witness statement of Miss Lupulesc. In this statement, she confirmed that the units are dealt with on a bed weighting method with a starting number of 4 to all dwellings and an additional 1 added for every bedroom. As the Respondent's property had three bedrooms, it therefore had a bed weighting of 7 which was not challenged by the Respondents. As to the care and upkeep, it appears from paragraph 20 of Miss Lupulesc's witness statement that these are dealt with on an estate basis utilising the number of care and upkeep hours, which is divided by the contract cost, to determine an hourly rate. The hourly rate is then used to calculate an estimated cost of the care and upkeep and that is then allocated to the Respondent's property on the basis of the bed weighting method. It seems that the estate grounds maintenance is also dealt with on this basis.
23. It is also appropriate to note that in February of 2017, the leaseholders in the property 210 to 221 Helen Gladstone House acquired the freehold and are now the landlords. It seems that there are two flats retained by the local authority, numbers 212 and 219. Helen Gladstone House Limited appears to have adopted the costs headings put forward by the Council as their table showing the actual charges for 2014/15 and the estimated charge for 2017/18 show the same cost heads. We are satisfied that the allocation by the Council has, in the main been accurate. Where there are any specific departures from the allocation we have dealt with that in the schedules attached.
24. In addition to the allocation issues for the care and upkeep and grounds maintenance, Mr Stevens raised the question of the electricity supply. It appears that there is one meter that supplies the total of the flats in Gladstone House, but there is no clear indication how the costs of electricity are split between the leasehold properties and the storage space occupied by Virgin Media. In addition

also, the electricity to the boiler room, which is in the Respondent's block, should be felt to be apportioned. We have set out on the schedule our findings in respect of this element.

25. Whilst we are on the question of the Virgin Media use and occupancy, it appears that there was no clear allocation to Virgin Media in the service charges. Their lease was not in the bundle. Miss Lupulesc told us that four units were allocated to Virgin Media who have access via the stairs. The room is not large and it was felt that the allocation of four units was correct. We asked Mr Stevens over the lunch adjournment to indicate what he thought the savings would be if Virgin Media's units were taken into account and that has been reflected in the schedule.
26. The only other matter of a specific nature related to the allegation that some service charges fell outside the service charge years and were thus caught by the provisions of section 20B of the Act. In support of this position Mr Stevens relied on the Court of Appeal decision of *OM Property Management Limited v Burr* reference [2013]EWCACiv479. A copy of the decision was provided and it was clear that 'costs incurred' could mean either when they were paid or on presentation of an invoice depending upon factual matters. The Court of Appeal found that the provision of services or supplies does not equate to 'incurred'. The allegations were as set out on the schedule but were that certain costs included, for example, in the demand for the service charge year 1st April 2011 to March 2012 had been incurred outside that year.
27. It was the Council's case that those costs, which were the subject of the works orders in dispute, had been paid during the service charge year referred to. If that is the case, as it appears to be, it seems to us that the Court of Appeal decision does not help Mr Stevens. For example, the works order numbered 4838709 appears at page 117 of the bundle to have been an inspection for remedial repairs on 21st March 2011. It appears to have been paid on 16th May 2011 and therefore we do not see that the 18 month rule can apply. Accordingly, where considered appropriate, and we have marked this on the schedule, we do not accept Mr Stevens' argument that the Council has failed to observe the provisions of that section of the Act.
28. This deals with the specific points raised by Mr Stevens in his submissions to us. As we have indicated above, we have gone through the schedules for each year and have marked thereon our findings. These are consistent we believe with the six points raised by Mr Stevens at the commencement of the hearing.
29. We did not consider we were helped by the fact that the Respondents had not provided a statement of case which responded to the landlord's comments on the schedule. Many of the tenants' initial comments on the schedule for each year merely raised an enquiry. These were answered by the landlord but there is no response to those answers by the Respondents until the matter came before us at the hearing on 3rd November. This was not helpful.
30. However, the parties had exercised a good deal of common sense in respect of various items in dispute. Concessions had been made on both sides and we have recorded those. Mr Stevens told us that although initially, where they had not conceded issues, we would be left to decide. However he reviewed the case and

confirmed that where the Respondents had not been specifically raised concerns they would not pursue them and the service charge would stand.

31. We will leave the parties to finalise the accounts after implementing our findings.
32. The Council indicated that they would be seeking to recover their costs as a service charge and Mr Stevens asked us to make an order under section 20C. Mr Cremin indicated that the Respondents had made no payments on account since 2012 and accordingly the Council had no alternative but to pursue the matter through the County Court. Mr Stevens, in response, said that some questions had now been resolved and, as set out in the defence, apparently some form of agreement had been reached that there would not be any attempt at collection until issues had resolved themselves. He thought that this matter could have been resolved without the need of either Court or Tribunal proceedings.
33. There have been quite substantial reductions in the service charges sought by the Council. In the light of the findings we have made both within this decision and the schedule attached, we have come to the conclusion that it would be just and equitable in the circumstances for an order under section 20C to be made. No other applications for costs were made at this time.

Andrew Dutton

Judge:

A A Dutton

Date: 28th November 2017

ANNEX – RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-Tier at the Regional Office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28-day time limit, such application must include a request to an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

Appendix of relevant legislation

Landlord and Tenant Act 1985

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 a leasehold valuation 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 a leasehold valuation 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.

Section 20B

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

Section 20C

- (1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made—
- (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
 - (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
 - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
 - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
 - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

8	> Work orders 5096683/1, 5064268/1, 4972577/1 - walkway	6033.09	<ul style="list-style-type: none"> Failed - repaired again 3.5 years later - please provide details of work. Also, please provide warranties for work to both the walkway and roof (re-WOs 4918266/1, 4838709/1) that cover the period 2011 and beyond. (Repair work in future years appears to have been required for both areas for which major projects were undertaken this year.) 	<p>Please see details of works below:</p> <ul style="list-style-type: none"> * 5096683/1 - Description reads "Carry out repair to walkway above xxx"; * 5064268/1 - Description reads "ROOFING - INSPECTION". * 4972577/1 - Description reads "Please carry out flood test to walkway above Flat xxx please advise when carrying out so that TO and residents maybe in situ for results". <p>The Council has an obligation to continuously maintain the structure of the block. There is no evidence to suggest the above work orders have not been completed satisfactory. There are no warranties in place, the work is carried out by the contractor and signed off when completed. In any case these repairs have been carried out back in 2011 and it is almost impossible to successfully queries raised in 2017.</p>	The review of the works orders show these to relate to different issues, see pages 116 and 119 of the bundle. 5096683/1 relates to the walk way and the others to roofing and testing. We accept the Council's explanation and these costs are recoverable
9	> Work orders 5106469/2, 5124023/1, 5106469/1, 5117139/1, 5109552/1, 4867452/1	1716.74	<ul style="list-style-type: none"> Where exactly was this work done? (210-221HGH doesn't have a disused cupboard on a communal landing, for example.) 	<ul style="list-style-type: none"> * 5106469/2 - Work carried out at 210-221 HGH; * 5124023/1 - Work carried out at 210-221 HGH; * 5106469/1 - Work carried out at 210-221 HGH; * 5117139/1 - Work carried out at 210-221 HGH; * 5109552/1 - Work carried out at 210-221 HGH; * 4867452/1 - Work carried out at 210-221 HGH. 	There does not appear to be the cupboards referred to in the Respondents building and these costs are disallowed
10	> Work orders 5078122/1, 5004623/1, 4969546/1, 5178288/1	357.85	<ul style="list-style-type: none"> Work not done in 210-221HGH 	<ul style="list-style-type: none"> * 5078122/1 - Work not done to 210-221 HGH, will be credited back; * 5004623/1 - Work carried out to 210-221 HGH; * 4969546/1 - Work carried out to 210-221 HGH; * 4969546/1 - Work carried out to 210-221 HGH; * 5178288/1 - Work not done to 210-221 HGH, will be credited back; 	this is not challenged by the Respondents, the Council having conceded that 5078122 and 5178288 should be omitted and credits given
11	> Work orders 5003616/1, 5001027/1, 5020194/1, 5018812/1, 4826298/1, 4826539/1	245.24	<ul style="list-style-type: none"> There are too many charges of the same type of work this year compared to subsequent years. Suspect some charges relate to 222-269's water tanks, not 210-221's. 	<ul style="list-style-type: none"> * 5003616/1 - Work carried out to 210-221 HGH; * 5001027/1 - Work carried out to 210-221 HGH; * 5020194/1 - Work carried out to 210-221 HGH; * 5018812/1 - Work carried out to 210-221 HGH; * 4826298/1 - Work carried out to 210-221 HGH; * 4826539/1 - Work carried out to 210-221 HGH; 	this is not under challenge by the Respondents
12	> Work orders 5174094/1, 5166658/1, 5206536/1	230.71	<ul style="list-style-type: none"> Work relates to boiler repairs and therefore cost is not for 210-221HGH alone. This cost should be apportioned as per boiler repairs across both 210-221HGH and 222-269HGH. 	<ul style="list-style-type: none"> * 5174094/1 - This will be raised with Repairs and outcome communicated to the homeowner; * 5166658/1 - This will be raised with Repairs and outcome communicated to the homeowner; * 5206536/1 - Description reads "Overflow Pipe Running". Charge is valid. 	The Council has conceded these charges are not recoverable
13	> Work orders 5082913/1, Invicta	847.50	<ul style="list-style-type: none"> What investment survey/sampling was done and where exactly? If in boiler house, should not be charged solely to 210-221HGH as per above. Please provide copy of survey results. 	<ul style="list-style-type: none"> * 5082913/1 - This will be raised with Repairs and outcome communicated to the homeowner; 	The Council has conceded these charges are not recoverable

14	> Overheads	1736.18	• How has this cost been calculated at 17.28% and what is it for?	Overheads are the costs, such as staff salary costs for council staff involved in managing communal services. They also include office and IT costs, transport costs, communications, enquiries and complaints. An element for overheads is incorporated in the charge for the services listed, as it is an integral part of the cost of providing a service.	This is not challenged by the Respondents
15			• As it is calculated on a percentage basis, reduce overhead cost to account for responsive repairs costs credited	This will be taken into account when credits are being processed.	
Estate Lighting					
16	• Estate charges (215HGH)	2.57	• Please provide a breakdown of what this cost is for	Please see breakdown provided.	This is not challenged by the Respondents
17	• Block charges (bidg): > Work orders 5222143/1, 4849225/1, 5203954/1, 4994558/1, 5025461/1, 5096555/1, 5129813/1, 5135988/1, 5039038/1, 5165033/1, 4995893/1	264.99	• Repairs not in 210-221HGH. Plus, WO 5222143/1 is not dated in service charge year and is for abortive call-out by LBS employee so should not be charged to leaseholders	* 5222143/1 - Work carried out at 210-221 HGH; Description reads "As per xxx HO, To make secure two cables hanging from the side of the building, of Helen Gladstone Hs, Surrey Row Side. Cables making loud noise whilst hitting the side of the building during windy weather." Charge is valid. * 4849225/1 - Description reads "communal light not working outside the lift on the 8th floor" * 5203954/1 - Description reads "1 x lamp outside No. 227" * 4994558/1 - Work not done to 210-221 HGH, will be credited back; * 5025461/1 - Description reads "communal light not working on the 5 floor stairwell remedy" * 5096555/1 - Description reads "Light out - outside dwelling 258 pls remedy issue" * 5129813/1 - Description reads "the int in flat 257 has asked to report a communal light being out. The light is on the 11th floor outside flat 259, please remedy" * 5135988/1 - Description reads "Pls attend to remedy no lighting on 8th floor landing" * 5039038/1 - Description reads "Tenant from flat 257 called to report that one light on 6th floor stairwell not working and one light next to flat 246 on 6th floor is not working. Please attend." * 5165033/1 - Description reads "As per L.Power's report - 2 x flat * 4995893/1 - Description reads "int flat 257 reports all the lights	It is agreed that the only sum owing in respect of these issues is £14.21
18	> Work orders 4957772/1, 5003205/1	140.20	• Where is the location of this work/which flat reported the issue, as if work not done to 210-221HGH it is not a block charge?	* 4957772/1 - Work carried out at 210-221 HGH, no details as to who reported the issue; * 5003205/1 - Work carried out at 210-221 HGH, no details as to who reported the issue.	This is not challenged by the Respondents
19	> Work order 4913243/1	196.82	• Cost excessive compared to work done to repair no communal lighting two months later (WO 5003205/1 @£84.12)	* 4913243/1 - Description reads "TRACE LOCATE AND ISOLATE FAULTS ON CIRCUITREPAIR/RESTORE EQUIP LEAVE IN WORKING ORDER"; * 5003205/1 - Description reads "RESET TIME SWITCH AND PHTOTCELL CONTROL GEAR ANDRESTORE LIGHTS TO WORKING ORDER"	This is not challenged by the Respondents
20	> Block electricity allocation [undated]	457.07	• How is this charged/allocated from estate to block?	The cost is allocated on a bed weighting method.	This is not challenged by the Respondents

21			• Does the meter provide electricity only for estate lighting?	The meter provides electricity for all services and it is then allocated £s per the survey to each service element.	This is not challenged by the Respondents
22	> Work order 6602001576	258.75	• Where exactly are the 'multiple sites' for this work and what work was done?	This work order is in relation to electrical testing at 210-221 HGH.	This is not challenged by the Respondents
23	> Overheads	242.85	• How is this calculated, what work is it for?	Please see comment 14.	This is not challenged by the Respondents
24			• If it is calculated on a percentage basis, reduce overhead cost to account for estate lighting costs credited	Please see comment 15.	This is not challenged by the Respondents
25	> Estate to block allocation	28.59	• What is this for? It appears to be a double charge, as an estate charge to unit 215HGH of £2.57 is already included in this year's accounts	The charge for both block and estate is £148.55, being £145.98 for block and £2.57 for estate. There is no double charge.	This is not challenged by the Respondents
District heating					
26	• All (215HGH apportionment)	2505.10	• In addition to the disputed sums below, the bed weighting for boiler should be 7 units of 825/184 instead of 32 units of 850/209 to match later years as per the tribunal decision in case LON/00BE/LSC/2014/0226, in which Ms. MacFarlane was denied the right to contest reasonableness for YE 2012.	The FTT decision in LON/00BE/LSC/2014/0226 states at Paragraph (3) that the Tribunal will not deal with the service charge year 2011-12.	This is not challenged by the Respondents
27	• Boiler PPM maintenance	7308.48	• Please provide breakdown of what these costs cover and confirm if the work was contracted under a long-term agreement.	This is an annual contract sum for planned and preventative maintenance to ensure that all equipment is regularly serviced and in good condition.	This is agreed at £4,000
28	• Boiler controls	385.85	• Please provide breakdown of what these costs cover	Boiler controls covers maintenance of electrical systems located within the boiler house which are not covered by the main PPM contract.	This is not challenged by the Respondents
29	• Overheads	1487.82	• How are these costs calculated and what are they for?	Please see comment 14.	This is not challenged by the Respondents
30	• Electricity	2802.22	• Please provide breakdown of these costs	There is no further breakdown available. Electricity is allocated to each service as explained above.	This is not challenged by the Respondents
31			• Does the meter provide electricity only for the boiler house?	Please see comment 21.	This is not challenged by the Respondents
Boiler repairs:					
32	> Smith & Byford	257.58	• What is this work for, when and where was it done?	The contractor attended the site, however there is no further information on our system. As this repair was carried out in 2011/12 we would most likely have to retrieve information from archive.	Only the sum of £2.45 is due and owing
33	> Work orders 4816987/1, 4839319/1, 4839314/1	2742.93	• Items are dated before the service charge year 1 April 2011 to 31 March 2012.	Please see comment 7.	This is not challenged by the Respondents
34			• In addition, WO 4839319/1 is a duplicate (€900) of WO 4839314/1 done on the same date 30/3/11	* 4839319/1 - Description reads "PARTS FITTED AT SITE WORKS CARRIED OUT AS PER KENT REBOS QUOTE KRPS 1464". Completed on 16-JUL-2011. * 4839314/1 - Description reads "PARTS FITTED AT SITE WORKS CARRIED OUT AS PER KRPS1465 QUOTE." Completed on 16-MAY-2011. There doesn't seem to be any duplication, both work orders are valid.	This is not challenged by the Respondents

35	> Work orders 4970607/1 and 5226622/1	291.58	<ul style="list-style-type: none"> What exactly was done by GMI and why did T Brown need to provide access and reset the boiler at a cost of £134.66? (NB The same work cost only £70.90 in 2014.) Why was this work required twice in the same year with the second cost higher (£156.92)? 	<p>Description reads "Monitor system after completion of repairs until heating system is running at normal operation criteria. (This rate can only be claimed once per order) - MONITORING" and "Carry out recommended fault finding procedure to the communal plant, at the initial visit only, for each repair order when raised as 'no hot water/no heating'. (This rate cannot be claimed again by the contractor for any works emanating from the initial visit to site) - FAULT FINDING".</p> <p>Both work orders are based on Agreed Schedule of rates.</p> <p>* 5226622/1 - Description reads "Monitor system after completion of repairs until heating system is running at normal operation criteria. (This rate can only be claimed once per order) - MONITORING" and "Carry out recommended fault finding procedure to the communal plant, at the initial visit only, for each repair order when raised as 'no hot water/no heating'. (This rate cannot be claimed again by the contractor for any works emanating from the initial visit to site) - FAULT FINDING"</p>	This is not challenged by the Respondents
36	> Work order 4981317/1	219.74	<ul style="list-style-type: none"> What was the boiler shut down for? 	This was an emergency shut down, however there are no further details on the system.	This is not challenged by the Respondents
37	> Work order 5002961/1	215.46	<ul style="list-style-type: none"> Costs appear excessive compared to work with similar description - what work was done? 	<p>Description reads "Monitor system after completion of repairs until heating system is running at normal operation criteria. (This rate can only be claimed once per order) - MONITORING" and "Carry out recommended fault finding procedure to the communal plant, at the initial visit only, for each repair order when raised as 'no hot water/no heating'. (This rate cannot be claimed again by the contractor for any works emanating from the initial visit to site) - FAULT FINDING". The rates are based on the Agreed Schedule of Rates.</p>	This is not challenged by the Respondents
38	> Work orders: install temp boiler, hire and fit parts, remove temp boiler - 5007455/1 (£7953.99), 5105902/1 (£4538.44), 5111982/1 (£4392.02), 5120145/1 (£156.92), 5165382/1 (£4977.67), 5165395/1 (£1044.00) = £23063.04; fuel for temp boiler - 5038759/1 (£5906.60), 5045982/1 (£1410.93),	49890.05	<ul style="list-style-type: none"> Why was a temporary boiler required? We note that the tenant was not the leaseholder when the works started and the pre-application pack dated 16/2/2012 from LBS makes no mention of these works 	As per heating engineers the permanent boiler has a flue problem and a temporary boiler was used until the flue was repaired.	See decision
39	5051122/1 (£2006.53), 5060123/1 (£1569.35), 5075064/1 (£1322.24), 5090631/1 (£2867.83), 5105907/1 -3255.12 5129474/1 (£3980.99), 5165375/1 (£3564.00) = £25883.59; reconnect gas meter 5096195/1 (£212.60); works to main boiler - 5163360/1 (£156.92), 5176812/1		<ul style="list-style-type: none"> In addition to the works listed, further work from this service charge year relating to the temporary boiler and the reinstatement of the main boilers was charged in YE 2013. (Work orders 5094200/1, 5143602/1, 5143597/1, 514967/1, 5210464/1, 5236245/1, 5262331/1, 5272268/1 = £3936.68) 	<ul style="list-style-type: none"> 5094200/1 - Authorised and paid for on 16-MAY-2012. 5143602/1 - Authorised and paid for on 16-MAY-2012. 5143597/1 - Authorised and paid for on 16-MAY-2012. 514967/1 - Invalid work order reference. 5210464/1 - Authorised and paid for on 16-MAY-2012. 5236245/1 - Authorised and paid for on 16-MAY-2012. 5262331/1 - Authorised and paid for on 16-MAY-2012. 5272268/1 - Authorised and paid for on 15-JUN-2012. 	See decision

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		<p>• All of the work orders listed, plus those noted above, appear to relate to the installation and running of a temporary boiler from September 2011 to February 2012, and repairs to the main boilers during that time. LBS has confirmed that no consultation under S20 took place, nor does LBS believe that such consultation was necessary. However, the installation of the temporary boiler and associated repairs to the main boiler clearly are one "set" of works as specified in <i>Phillips vs Francis [2015] 1 WLR 741</i>. Therefore, the total cost that can be charged to the tenant is capped at £250. (We note that during the service charge years in question there are several instances of credit being issued in respect of LBS's non-compliance with S20 consultation e.g. in YE 2012 WO 4918266/1 £5483.63 and in YE 2013 WO 5341912/1 £1981.39.)</p>	The Council's position is that these are separate repairs and no consultation was necessary.	
		<p>• In addition, the £25,883.59 charge of fuel for the temporary boiler for four months appears excessive - £13,052.15 was charged for fuel for the two main boilers for the remaining eight months of the year, and the following year's fuel charge for 12 months for the two main boilers is £24,600.79.</p>	The fuel charge for 2011/12 was £13,052.15.	
> Work orders 5174892/1, 5182982/1	156.92	• What work was done and why was another visit required?	<p>* 5174892/1 - Description reads "(sf) fao r xxx raised to cover eng time as per n xxx (smell of fumes) 26/01/2012"</p> <p>* 5182982/1 - Description reads "(sf) raised to cover callout 05/02/2012 and please rebook req another visit eng d snow". Charges are valid.</p>	This is not challenged by the Respondents
> Work order 5176809/1	573.90	• Duplicates WO 5176812/1 for same work done on same date	<p>* 5176809/1 - This will be raised with Repairs and outcome communicated to the homeowner;</p> <p>* 5176812/1 - This will be raised with Repairs and outcome communicated to the homeowner;</p>	This has been agreed and reduced to £5.45 as being the Respondents' liability
> Work order 5220292/1	139.48	• What was the fault and what work was done?	Description reads "(sf) fao r xxx raised to cover cost attended on report of boiler no 1 faulty 28/02/2012".	This is not challenged by the Respondents
• Non-boiler repairs:				
> Work orders 4800253/1, 4829695/1,	430.92	• Items are dated outside the service charge year 1 April 2011 to 31 March 2012	Please see comment 7.	
> Work orders 4800253/1, 4829695/1, 5135057/1, 5111927/1, 5134789/1, 5112088/1, 5131211/1, 5178757/1, 5169479/1, 5189443/1, 5226852/1, 5216007/1, 5197148/1, 5079365/1	2677.38	• What work was carried out exactly? (No descriptions bar 'heating not working - block', and charges fluctuate from £14.86 to £111.58)	<p>* 4800253/1 - Description reads "No heating in block (Reported by flat xxx)";</p> <p>* 4829695/1 - Description reads "no heating reported by flat xxx";</p> <p>* 5135057/1 - Description reads "block has no heating or hot water";</p> <p>* 5111927/1 - Description reads "No heating and hot water. Reported by # xxx";</p> <p>* 5134789/1 - Description reads "reported by xxx and xxx called</p>	The parties agreed a split with the Respondents at 50% leaving £1338.69 as being due

			<p>5137703/1 - Description reads "reported by xxx and xxx called no heating to block";</p> <p>* 5112083/1 - Description reads "no heating no hot water block";</p> <p>* 5131211/1 - Description reads "no heating, block issue";</p> <p>* 5178757/1 - Description reads "pls remedy no heating and hot water to block as per flat xxx thank you";</p> <p>* 5169479/1 - Description reads "No heating/hot water to block - report by Flats xxx, xxx and others";</p> <p>* 5189443/1 - Description reads "REPORTED BY FLAT xxx NO HEATING OR HOT WATER (AFFECTING THE WHOLE BLOCK)";</p> <p>* 5226852/1 - Description reads "no heating and hot water as reported by flats xxx and also flat xxx";</p> <p>* 5216007/1 - Description reads "no heating to the block as reported by flats xxx and xxx";</p> <p>* 5197148/1 - Description reads "No heating and hot water communal.";</p> <p>* 5079365/1 - Description reads "leaseholder in flat xxx says no h</p>	
47	> Work orders - individual flats - 5007060/1, 5059434/1, 4964618/1, 974058/1, 4982605/1, 5002896/1, 5122208/1, 5075231/1, 5169822/1, 5133709/1, 5206536/1,	689.11	<p>* What work was carried out exactly and where/to which flats?</p> <p>* 5007060/1 - Description reads "District heating: There is no hot water in flat but neighbours not affected. Water heater is cold. Small leak from valve that works the thermostat.";</p> <p>* 5059434/1 - Description reads "TNT reports district heaters the fans are not blowing.";</p> <p>* 4964618/1 - Description reads "Please check the correct operation of both the heating and hot water systems and repair as required. Please report if there is no temperature control fitted on the heating system.";</p> <p>* 974058/1 - Work order reference not valid;</p> <p>* 4982605/1 - Description reads "(sf) to attend and carry out clean - heater battery - check fan motor";</p> <p>* 5002896/1 - Description reads "leaseholder has no hotwater in property, on district heating, pls remedy";</p> <p>* 5122208/1 - Description reads "heating not working, pls remedy, please call customer as cant hear bellsometimes.";</p> <p>* 5075231/1 - Description reads "(sf) fao sf raised to cover cost for 28/10/2011 eng c london fan heater left";</p> <p>* 5169822/1 - Description reads "Heating noisy";</p> <p>* 5133709/1 - Description reads "hot water not working or heating";</p> <p>* 5206536/1 - Description reads "Overflow Pipe Running".</p>	The parties agreed a 50% split with the sum of £344.55 being due
48	> Work orders 4800253/1, 4829695/1, 5135057/1, 5111927/1, 5134789/1, 5112088/1, 5131211/1, 5178757/1, 5169479/1, 5189443/1, 5226852/1, 5216007/1, 5197148/1, 5079365/1	1331.26	<p>* Duplicate costs on same date (and WOs 5111927/1 and 5112088/1 are for same work on same date at same cost), whereas for example WO 5111927/1 on 6/12/11 for same type of work has only one charge as does WO 5135057/1 on 28/12/11</p> <p>* 4800253/1 - Description reads "No heating in block (Reported by flat xxx)";</p> <p>* 4829695/1 - Description reads "no heating reported by flat xxx";</p> <p>* 5135057/1 - Description reads "block has no heating or hot water.";</p> <p>* 5111927/1 - Description reads "No heating and hot water. Reported by # xxx";</p> <p>* 5124780/1 - Description reads "reported by xxx and xxx called</p>	The parties agreed a 50% split with the sum of £665.63 being due

			<p>513475/1 - Description reads "reported by xxx and xxx called no heating to block";</p> <p>* 5112088/1 - Description reads "no heating no hot water block";</p> <p>* 513121/1 - Description reads "no heating, block issue";</p> <p>* 517875/1 - Description reads "pls remedy no heating and hot water to block as per flat xxx thank you";</p> <p>* 5169479/1 - Description reads "No heating/hot water to block - report by Flats xxx, xxx and others";</p> <p>* 5189443/1 - Description reads "REPORTED BY FLAT NO.xxx. NO HEATING OR HOT WATER IAFFECTED THE WHOLE BLOCK";</p> <p>* 5226852/1 - Description reads "no heating and hot water as reported by flats xxx and also flat xxx";</p> <p>* 5216007/1 - Description reads "no heating to the block as reported by flats xxx and xxx";</p> <p>* 5197146/1 - Description reads "No heating and hot water communal";</p> <p>* 5079365/1 - Description reads "leaseholder in flat xxx says no h</p>		
49	> Work order 5051139/1	726.30	<p>* Which flat and why were radiators installed? Confirm which other orders relate to this work e.g. system shutdown and restart in order to do this work. Work is improvement inside individual flat – not chargeable to the block.</p>	<p>Description reads "(sf) supply and fit radiator in each bedroom including r&v valves and all pipework". Radiators and pipework are part of the district heating system which the Council has an obligation to maintain. The charge is valid.</p>	This was conceded as not being due from the Respondents
Grounds maintenance					
50	* Block cost of £1896.23 > 215HGH cost of	40.86	<p>* Under the grounds maintenance bed weighting calculation, LBS categorises 'block' as being 210-269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for grounds maintenance incurred in respect of the building 210-221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 778 units (not 7318)</p>	<p>For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of grounds maintenance. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is 0.79p per week.</p>	This is not challenged by the Respondents
51			<p>* Please provide a breakdown of the 64.83 hours and details of the work done for the building 210-221HGH.</p>	<p>The number of hours allocated to each block/ estate is supplied by the contractor and there are no further breakdowns available.</p>	This is not challenged by the Respondents
52			<p>* £28.63 per hour for grounds maintenance appears excessive. Two comparisons from 2017: Countrywide (South London branch at http://www.countrywidegrounds.com/london-(south).html) - £25/hr); Fantastic Gardeners (https://www.fantasticgardeners.co.uk/prices/) £55/hr for two people, equipment and waste disposal = £27.50/hr/person</p>	<p>This is the hourly rate for providing the grounds maintenance service. This includes wages, supplies, supervision and any overheads.</p>	This is not challenged by the Respondents
53	Administration charge	550.54	<p>* To be reduced in line with any agreed reductions to disputed charges</p>	<p>This will be taken into account when credits are being processed.</p>	This is not challenged by the Respondents

SCHEDULE

DISPUTED SERVICE CHARGES S/C YEAR ENDED 2013

Case reference: LON/00BE/LSC/2016/0293 Premises: 215 Helen Gladstone House, Nelson Square, London SE1 0QE

ITEM	CDST	TENANT'S COMMENTS	LANDLORD'S COMMENTS	BLANK FOR TRIBUNAL	
Care and Upkeep					
1	* Block cost (215HGH proportion)	283.02	<p>* Please provide a breakdown of the 524.77 hours and details of the work done for the building 210-221 Helen Gladstone House (HGH). We note that the number of hours worked are exactly the same this year as YE 2014 and YE 2015, but slightly less than the 524.69 hours worked in YE 2012.</p>	Please see attached cleaning schedule detailing the work carried out. The number of hours allocated to each block/estate is supplied by the cleaning contractor and there are no further breakdowns available.	This is not challenged by the Respondents
2			<p>* £23.45 per hour for care and upkeep appears excessive. Three comparisons in 2017: Puur (http://www.puur.co.uk/pricing/info_2_9.html) £8.50-£9.50/hr for commercial/school/communal area cleaning in central London; FastKlean £12/hr (https://www.fastklean.co.uk/commercial-cleaning)</p>	This is the hourly rate for providing the care and upkeep service. This includes wages, supplies, supervision and any overheads.	This is not challenged by the Respondents
3			<p>* Under the care and upkeep bed weighting calculation, LBS categorises 'block' as being 210-269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for care and upkeep incurred in respect of the building 210-221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 7/78 units (not 7/318)</p>	For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of care and upkeep. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is £5.44 per week.	This is not challenged by the Respondents
4	* Estate cost (215HGH proportion)	48.61	<p>* Please provide a breakdown of the 360.99 hours and details of the work done for the estate. We note that the number of hours worked are slightly more (0.02) than in YE 2014 and YE 2015, and 0.09 more than in 2012</p>	Please see Comment (1) above.	This is not challenged by the Respondents
5			<p>* £23.45 per hour for care and upkeep appears excessive, as noted above.</p>	Please see Comment (3) above.	This is not challenged by the Respondents
Responsive Repairs					
6	* Estate charges (215HGH)	2.20	<p>* Please provide a breakdown of what this cost is for</p>	Please see breakdown provided.	This is not challenged by the Respondents
* Block charges (bldg):					
7	> Work order 5156911/1	223.30	<p>* Items are dated 17/1/2012, outside the service charge year 1 April 2012 to 31 March 2013; also, there are no risers in the building 210-221HGH</p>	The Council operates on a cash basis. That means to say an expense is incurred when it is being paid for. Work order 5156911/1 was authorised and paid for on 16-SEP-2012.	The Council conceded that there was no claim for this charge
8	> Work order 5642387/1	2339.99	<p>* What was the £5246.99 for? There is no ventilation system in our building. In addition, the credit of £2907 for lack of S20 consultation results in a cost of £2339.99 that does not make sense.</p>	This will be raised with Repairs and outcome communicated to the homeowner. As there was no consultation for this repairs, a reduction has been applied in order for any individual contribution not to exceed £250 (including overheads and administration).	The Council has agreed to write off this charge

9	> Work order 5563857/1	163.62	• What exactly is 'site visit apportioned from new blocks'?	Description reads "Drain tank, remove debris and clean. Check effectiveness of overflow, float valve operation, vents and screens, insulation to tank and pipework. Refill tank and disinfect. Drain, and flush to waste until free of disinfectant. Over 1,200 litres but not exceeding 3,000 litres - MAINTENANCE".	This is not challenged by the Respondents
10	> Work orders 5501634563, 5501626120	152.08	• 5501626120 dated 31/3/2012 is not in this service charge year. Both orders are for work to 'various systems/various properties'. Please confirm which properties work relates to and ensure that only work done on 210-221HGH is charged here. (This item was charged under Estate Lighting in 2013-14 and included work to 222-269HGH.)	* 5501634563 - Description reads "Carry out annual lightning protection"; * 5501626120 - Description reads "esting and inspection of the lightning protection systems at various properties"; Both work orders relate to 210-221 HGH.	This is not challenged by the Respondents
11	> Work order 5463731/1	327.23	• Please confirm exact location of cupboard referred to as 'outside near the carpark' - if the work does not relate to 210-221HGH then charge should be removed	Description reads: "electrical cupboard located at the bottom of the block outside near the car park, is not secure, change lock to multi lock and secure.". Charge is valid.	This is not challenged by the Respondents
12	> Work orders 5387609/2, 5514206/1	121.90	• Please confirm which flats this work relates to	* 5387609/2 - Work carried out to 210-221 HGH; * 5514206/1 - Work carried out to 210-221 HGH.	This is not challenged by the Respondents
13	> Work order T Brown 17/4/2012	14.19	• For testing done in Feb 2012, so not within this service charge year	Please see comment 7.	This is not challenged by the Respondents
14	> Work orders 5308142/1, 5474282/1	2186.05	• What investment survey/sampling was done and where exactly? If in boiler house, should not be charged solely to our building. Please provide copy of survey results. Same work already done within previous year's accounts on 8/11/2011 (WO 5082913/1 @£847.50)?	* 5308142/1 - This will be raised with Repairs and outcome communicated to the homeowner; * 5474282/1 - This will be raised with Repairs and outcome communicated to the homeowner.	The liability of the Respondents is waived and these charges are not being pursued against the Respondents
15	> Work order 5531600/1	39.75	• Confirm location of work - block 210- 221HGH is not adjacent to Blackfriars Road and has no green area at its entrance.	This will be raised with Repairs and outcome communicated to the homeowner.	The charge is agreed at £4.67
16	> Overheads @ 19%	1506.13	• How has this cost been calculated at 19% and what is it for?	Overheads are the costs, such as staff salary costs for council staff involved in managing communal services. They also include office and IT costs, transport costs, communications, enquiries and complaints. An element for overheads is incorporated in the charge for the services listed, as it is an integral part of the cost of providing a service.	This is not challenged by the Respondents
17			• Why has the percentage rate increased from 17.28% in YE 2012?	Overheads due to their nature are variable. Both the overheads amount and cost of a specific service are variable, therefore the percentage can not be fixed.	This is not challenged by the Respondents
18			• As it is calculated on a percentage basis, reduce overhead cost to account for responsive repairs costs	This will be taken into account when credits are being processed.	This is not challenged by the Respondents
Estate Lighting					
19	• Estate charges (215HGH)	5.02	• Please provide a breakdown of what this cost is for	Please see breakdown provided.	This is not challenged by the Respondents
	• Block charges (bldg):				

20	>Work order 5475379/1	47.91	• Where is the location of this work, as if work not done to 210-221HGH it is not a block charge? There is no flat 15 in block 210-221HGH	This has been coded to 210-221 HGH. Due to the passage of time we are unable to confirm if the description contains a typo, therefore if its work order will be credited back.	This is accepted by the Respondents and the credit will be allowed
21	> Work order 5570131/1	268.46	• This work on rooftop equipment is related to Virgin Media, not the block	Description reads "Loss of supply to roof top equipment reported by virgin media. attend and reinstate landlords supply fuse". The fault seems to have been reported by Virgin Media, however the Council has an obligation to maintain the communal structure and therefore the charge is valid.	This charge is accepted by the Respondent but on the understanding, which was agreed, that there should be a credit in the year 2015 for the Virgin Media charge of £65.21
22	> Work order 5635856/1	14.21	• Where located? (No ground floor landing in block 210-221HGH.) Regardless, as cost was for abortive call-out by LBS employee, leaseholders should not be charged	Work carried out to 210-221 HGH.	This is not challenged by the Respondents
23	> Block electricity allocation [undated]	391.54	• How is this charged/allocated from estate to block?	The cost is allocated on a bed weighting method.	This is not challenged by the Respondents
24			• Does the meter provide electricity only for estate lighting?	The meter provides electricity for all services and it is then allocated as per the survey to each service element.	This is not challenged by the Respondents
25	> Overheads @14%	107.7	• How has this percentage rate been calculated and why does it fluctuate each year?	Please see comment 16.	This is not challenged by the Respondents
26			• As it is calculated on a percentage basis, reduce overhead cost to account for estate lighting costs credited	Please see comment 18.	This is not challenged by the Respondents
District heating					
27	• Boiler PPM maintenance	7410.84	• Please provide breakdown of what these costs cover and confirm if the work was contracted under a long-term agreement.	This is an annual contract sum for planned and preventative maintenance to ensure that all equipment is regularly serviced and in good condition	This is agreed at £4,000
28	• Boiler controls	1145.94	• Please provide breakdown of what these costs cover (NB This item cost £0 in all subsequent years)	Boiler controls covers maintenance of electrical systems located within the boiler house which are not covered by the main PPM contract.	The parties agreed a 50% split at £572.97
29	• Overheads	1462.86	• How are these costs calculated and what are they for?	Please see comment 16.	This is not challenged by the Respondents
30	• Electricity	2614.80	• Please provide breakdown of these costs	There is no further breakdown available. Electricity is allocated to each service as explained above.	This is not challenged by the Respondents
31			• Does the meter provide electricity only for the boiler house?	Please see comment 24.	This is not challenged by the Respondents
32	• Boiler repairs: > Work orders 5094200/1, 5143602/1, 5143597/1, 514967/1, 5210464/1, 5236245/1, 5262331/1, 5272268/1	3936.68	• Items are dated before the service charge year 1 April 2012 to 31 March 2013	Please see comment 7. * 5094200/1 - Authorised and paid for on 16-MAY-2012; * 5143602/1 - Authorised and paid for on 16-MAY-2012; * 5143597/1 - Authorised and paid for on 16-MAY-2012; * 514967/1 - Work order reference not valid; * 5210464/1 - Authorised and paid for on 16-MAY-2012; * 5236245/1 - Authorised and paid for on 16-MAY-2012; * 5262331/1 - Authorised and paid for on 16-MAY-2012; * 5272268/1 - Authorised and paid for on 15-JUN-2012.	Our findings in respect of 20B issues apply to these charges and they are recoverable from the Respondents

33		• Please provide T Brown report referred to in WO 5143602/1, and confirm which items relate to the installation and running of the temporary boilers. (See comments under boiler repairs in YE 2012 regarding major works to boilers.)	This work order was in relation to the reconnection of the main boilers. There is no copy of the said report on the system, this would probably be in the archive.	This is not challenged by the Respondents	
34	> Work order 5236245/1	156.92	• What is meant by 'work already done during visit to 237'?	This will be raised with Repairs and outcome communicated to the homeowner.	The liability of the Respondents is £1.51 and agreed
35	> Work order 5269124/1	900	• Why was this work necessary? Does it relate to the temporary boiler or the main boilers?	The description reads "As per xxx - To install cushioned bearings on remaining hws and heating pumps."	This is not challenged by the Respondents
36	> Work order 5314773/1	94.84	• Described as annual work but not done in previous year or any subsequent years.	This will be raised with Repairs and outcome communicated to the homeowner.	The liability of the respondents is agreed at 0.91p
37	> Work order 5366763/1	53.15	• Why access provided by T Brown rather than LBS staff? No fline contractor charge appears in accounts on this date	This will be raised with Repairs and outcome communicated to the homeowner.	The liability of the respondents is agreed at 0.51p
38	> Work orders 5385375/1, 5385279/1	69.74	• Duplicate work and cost on 30/7/2012	* 5385375/1 - Description reads "(sf) raised to cover cost 06/07/2012 charged to summer run eng p xxx"; * 5385279/1 - Description reads "(sf) raised to cover cost 02/05/2012 (power cut) reset boiler and gas valve eng c xxx". Both work orders are valid.	This is not challenged by the Respondents
• Non-boiler repairs:					
39	> Work orders 5378005/1, 5416086/1, 5416085/1, 5503710/1, 5425708/1	605.54	• What work was done in respect of these costs?	* 5378005/1 - Description reads "No hot water from communal boiler - and no heating - Block"; * 5416086/1 - Description reads "No hot water from communal boiler - Residents of flat xxx and xxx are reporting no hot water from communal boiler. - Block" * 5416085/1 - Description reads "No hot water from communal boiler - No hot water to block affecting flats xxx and xxx - Block"; * 5503710/1 - Description reads "No heat from communal boiler - BLOCK - No heating no hot water in block (Reported by flat xxx) - Block"; * 5425708/1 - Description reads "No hot water from boiler - Intermittent loss of hot water affecting the block as reported by flats xxx / xxx -Property".	This is not challenged by the Respondents
40			• If all work relates to lack of supply of heating/hot water from communal boiler house, charges should be apportioned as part of boiler repairs across both 210-221HGH and 222-269HGH.	The above work orders relate to 210 - 221 HGH and are valid.	This is not challenged by the Respondents
Grounds maintenance					

41	• Block cost of £1863.86 > 215HGH cost of	41.03	• Under the grounds maintenance bed weighting calculation, LBS categorises 'block' as being 210-269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for grounds maintenance incurred in respect of the building 210-221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 7/78 units (not 7/318)	For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of grounds maintenance. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is 0.79p per week.	This is not challenged by the Respondents
42			• Please provide a breakdown of the 64.83 hours and details of the work done for the building 210-221HGH.	The number of hours allocated to each block/ estate is supplied by the contractor and there are no further breakdowns available.	This is not challenged by the Respondents
43			• £28.75 per hour for grounds maintenance appears excessive. Two comparisons from 2017: Countrywide (South London branch at http://www.countrywidegrounds.com/london-(south).html) - £25/hr; Fantastic Gardeners (https://www.fantasticgardeners.co.uk/prices/) £55/hr for two people, equipment and waste disposal = £27.50/hr/person	This is the hourly rate for providing the grounds maintenance service. This includes wages, supplies, supervision and any overheads.	This is not challenged by the Respondents
44	<u>Administration charge</u>	324.58	• To be reduced in line with any agreed reductions to disputed charges	This will be taken into account when credits are being processed.	This is not challenged by the Respondents

SCHEDULE

DISPUTED SERVICE CHARGES S/C YEAR ENDED 2014

Case reference: LON/00BE/LSC/2016/0293 Premises: 215 Helen Gladstone House, Nelson Square, London SE1 0QB

	ITEM	COST	TENANT'S COMMENTS	LANDLORD'S COMMENTS	BLANK FOR
	Care and Upkeep				
1	• Block cost (215HGH proportion)	287.61	• Please provide a breakdown of the 524.77 hours and details of the work done for the building 210-221 Helen Gladstone House (HGH). We note that the number of hours worked are exactly the same this year as YE 2015.	Please see attached cleaning schedule detailing the work carried out. The number of hours allocated to each block/ estate is supplied by the cleaning contractor and there are no further breakdowns available.	This is not challenged by the Respondents
2			• £23.82 per hour for care and upkeep appears excessive. Three comparisons in 2017: Puur (http://www.puur.co.uk/pricing/info_29.html) £8.50-£9.50/hr for commercial/school/communal area cleaning in central London; FastKlean £12/hr (https://www.fastklean.co.uk/commercial-cleaning-prices/); and Odesa.co.uk £15/hr	This is the hourly rate for providing the care and upkeep service. This includes wages, supplies, supervision and any overheads.	This is not challenged by the Respondents
3			• Under the care and upkeep bed weighting calculation, LBS categorises 'block' as being 210- 269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for care and upkeep incurred in respect of the building 210-221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 7/78 units (not 7/318)	For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of care and upkeep. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is £5.53 per week.	This is not challenged by the Respondents
4	• Estate cost (215HGH proportion)	49.38	• Please provide a breakdown of the 360.97 hours and details of the work done for the estate. We note that the number of hours worked are exactly the same this year as YE 2015.	Please see Comment (1) above.	This is not challenged by the Respondents
5			• £23.82 per hour for care and upkeep appears excessive, as noted above.	Please see Comment (3) above.	This is not challenged by the Respondents
	Responsive Repairs				
6	• Estate charges (215HGH)	2.50	• Please provide a breakdown of what this cost is for	Please see breakdown provided.	This is not challenged by the Respondents
	• Block charges (bldg):				

7	> Work orders 5921276/1, 5946646/1, 5921278/1	197.99	• Repairs not in 210-221HGH	* 5921276/1 - Work carried out at 210-221 HGH; * 5946646/1 - Work carried out at 210-221 HGH; * 5921278/1 - Work carried out at 210-221 HGH.	It was accepted that these charges did not relate to the Respondents' block and were conceded by the Council as not being recoverable
8	> Work order 5802895/1	71.33	• Responsibility of individual leaseholder/tenant to pay due to cause of repair being inside property	Description reads "As per customer's email: The drain located in the front garden underneath the kitchen window of xxx Helen Gladstone seems to keep being blocked and the ground round it waterlogged, it also smells awful. Contact: xxx". This is a communal repair (drains) and therefore the charge is valid.	This is not challenged by the Respondents
9	> Work orders 5976559/1, 5701421/1, 5729215/1, 6052978/1	735.80	• Unclear what work has been done, what item is for and/or where (confirm exact location).	* 5976559/1 - Work carried out at 210-221 HGH; * 5701421/1 - Work carried out at 210-221 HGH; * 5729215/1 - Work carried out at 210-221 HGH; * 6052978/1 - Work carried out at 210-221 HGH.	This is not challenged by the Respondents
10			• In addition, if WOs 5729215/1 and 6052978/1 @£278.52 involve work to the flat roof above 218, this should be repaired under warranty at no cost - extensive repairs were made to that end of the roof in 2011. (WOs 4918266/1 and 4838709/1 @£5832.24)	If there was any warranty in place works would not have been raised on the system.	This is not challenged by the Respondents
11	> Work orders 5832184/1, 6013848/1	274.97	• Why are these costs so much higher than charged for same annual work done by same contractor in 2012-13? (Tank room inspection £80.07 vs £25.25, record temp measurements £36 & £33.85 vs £14.19, take specialist water sample £100.05 vs £39.44	These charges are based on an agreed schedule of rates.	This is not challenged by the Respondents
12	> Work order 5622969/1	76.74	• What work was done? No new pipe was installed outside boiler house to connect tank room overflow pipe to drain, rather than leaving it to run into garden of 215HGH. In addition, overflow issue was identified and worked on in y/e 2012 (WO 5206536/1 25/2/201 @£47.18) so issue should not be recurring.	Description reads "comunal boiler leaking, flooded, going into the back of property xxx - Dweiling". Charge is valid.	This is not challenged by the Respondents
13	> Work order 6204422/1	183.00	• Excessive cost for item - charged £67.89 in 2014-15 for same work (order 6476635/1)	Charges are based on an agreed schedule of rates. The two work orders mentioned are not identical. As part of 6204422/1 the contractor was required to "ease and adjust metal door to open."	This is not challenged by the Respondents

14	> Overheads	55.66	• Why has this rate increased to 27% from 19% in 2012-13?	Overheads are the costs, such as staff salary costs for council staff involved in managing communal services. They also include office and IT costs, transport costs, communications, enquiries and complaints. An element for overheads is incorporated in the charge for the services listed, as it is an integral part of the cost of providing a service.	This is not challenged by the Respondents
15			• As it is calculated on a percentage basis, reduce overhead cost to account for responsive repairs costs credited	This will be taken into account when credits are being processed.	This is not challenged by the Respondents
Estate Lighting					
16	• Estate charges (215HGH)	4.95	• Please provide a breakdown of what this cost is for	Please see breakdown provided.	This is not challenged by the Respondents
17	• Block charges (bldg): > Work order 5851806/1	67	• It appears from the description that this work is not for 210- 221HGH alone, so this is not a block charge. The correct cost for work done for 210-221HGH alone needs to be stated	This will be re-apportioned to only reflect the share of cost for 210-221 HGH.	This costs was reduced to £5.54
18	> Work orders 5894465/1, 5956903/1	94.79	• Where is the location of this emergency lighting work?	Work was carried out to 210-221 HGH.	This is not challenged by the Respondents
19	> Work orders 5875585/1 (28/3/2014) and Lockesleys 17/10/2013	498.75	• Duplicate of monthly emergency lighting test work by two different contractors why? Compare with £14 charge in 2012-13 (WO 5501661583) and no charge in 2011-12.	Work order 5875585/1 was raised on 09-AUG-2013 and Lockesleys on 17-OCT-2013. Charges are valid.	This is not challenged by the Respondents
20	> Block electricity allocation 31/03/2014	452.71	• How is this charged/allocated from estate to block?	The cost is allocated on a bed weighting method.	This is not challenged by the Respondents
21			• Does the meter provide electricity only for estate lighting?	The meter provides electricity for all services and it is then allocated as per the survey to each service element.	This is not challenged by the Respondents
22			• This charge is dated the same day as a different sum charged for the same item in the 2014- 15 year's accounts ('Council electricity 31/03/2014 'estate lighting' £443.68).	The charge is valid. The description on the database for the 2014/15 year contains an error as that amount clearly relates to 2014/15.	This is not challenged by the Respondents
23	> Work order Beaumont Construction Services 13/6/2013	199.04	• Repair not to block 210-221HGH (no lateral risers in building)	This will be raised with Repairs and outcome communicated to the homeowner.	conceded by the Council as not being payable by the respondents
24	> Overheads @11%	154.92	• As it is calculated on a percentage basis, reduce overhead cost to account for estate lighting costs credited	This will be taken into account when calculating any credits.	

25	District heating • Fuel/Gas	2000.00	• What are 'General accruals of...?'	The gas invoice for March 2014 has not been received in time and therefore a decision was made to accrue for it.	Although not challenged by the Respondents it is used as an example to show that the Council did not always deal with costs on an incurred basis when paid.
26	• Boiler PPM maintenance	7592.97	• Please provide breakdown of what these costs cover and confirm if the work was contracted under a long-term agreement.	This is an annual contract sum for planned and preventative maintenance to ensure that all equipment is regularly serviced and in good condition.	Agreed at £4,000
27	• Overheads	1727.77	• How are these costs calculated and what are they for?	Please see comment 14.	This is not challenged by the Respondents
28	• Electricity invoice numbers 4000253705, 4000254540, 4000256639, 4000257842	2732.90	• Please provide costs from actual not estimated readings	These costs have been invoiced by the provider and actuals would have been supplied on future readings.	This is not challenged by the Respondents
29			• Does meter provide electricity only for the boiler house? If so, please provide meter number	Please see comment 21.	This is not challenged by the Respondents
30	• Boiler repairs: > Telephone line	151.56	• Where is this telephone line and what is it for?	This would have been located in the boiler house.	There was no evidence from the Council as to why this charge arose and is therefore disallowed
31	> Work orders 5325060/1, 5609292/1, 5693566/1	3597.16	• Items are dated 11/6/2012 to 25/3/2013, outside the service charge year 1 April 2013 to 31 March 2014	The Council operates on a cash basis. That means to say an expense is incurred when it is being paid for. * 5325060/1 - Authorised and paid for on 16-JUL-2013; * 5609292/1 - Authorised and paid for on 16-JUL-2013; * 5693566/1 - Authorised and paid for on 16-JUN-2013.	This is not challenged by the Respondents
32	> Work order 5693566/1	3376.90	• Why was this work required, what exactly was done? Please provide copy of report	Description reads "as per specialist - Specialist Flue Service - Ref EF100649/SC". There is no report on the system, this can be addressed with Repairs and retrieved from archive.	After discussions and concessions the Council agreed not to pursue this charge

33	> Work order 5766235/1	262.90	• What exactly was done by GMI at a cost of £192 and why did T Brown need to provide access and reset the boiler at a cost of £70.90?	Description reads "As per specialist invoice 138851 - GMI to gain access and reset boiler".	This is not challenged by the Respondents
34	> Work orders 5794911/1, 5799115/1	124.93	• What other contractor was access provided for - what were they doing and what was the scaffolding for?	* 5794911/1 - Description reads "(e.m) as per xxx eng xxx to attend to assist scaffolders"; * 5799115/1 - Description reads "(e.m) as per xxx xxx to give access to boiler house".	This is not challenged by the Respondents
35	> Work order 5849566/1	23.81	• Duplicate charge (same part on same day)	Two parts (CABCO 10 BAR PRESSURE GAUGE 100MM DIAL) were needed for this repair.	This is not challenged by the Respondents
36	> Work order 5870311/1	54.03	• What was this access provided for? There does not appear to be any associated electrician's work/charge on this date in this year's accounts	This will be raised with Repairs and outcome communicated to the homeowner.	This was reduced to a charge of 0.54p to the Respondents
37	> Work order 5920701/1	262.90	• What exactly was done by GMI at a cost of £192 and why did T Brown need to provide access and reset the boiler at a cost of £70.90? Why was this work required twice in the same year (WO 5766235/1 on 29/4/2013 and this WO on 24/10/2013)?	Description reads "(mh) fao T Deans to give access to GMI and reset boiler 2nd visit". The Council has an obligation to maintain the system in good condition and carry out repairs as necessary.	This is not challenged by the Respondents
38	> Work order 6161258/1	35.99	• Confirm location/flat where work done	This repair was carried out to the boiler house and description reads "Heating - Clear blockage in pipe by any means, any location - INSTALLATION".	This is not challenged by the Respondents
39	• Non-boiler repairs: > Work orders 5623324/1, 5860902/1	350.32	• Items are dated from 30/1/2013 to 17/2/2013, outside the service charge year 1 April 2013 to 31 March 2014	Please see comment 31.	This is not challenged by the Respondents
40	> Work orders 5623324/1, 5860902/1, 5971187/1	467.78	• What work was carried out exactly and where/to which flats?	* 5623324/1 - Work was carried out to 210 - 221 HGH and description reads "(e.m) as per xxx and previous visit eng to attend to s&f fan motor"; * 5860902/1 - Work was carried out at 210 - 221 HGH and description reads "(sf) fao t xxx raised to cover cost s/f fan unit (parts)". * 5971187/1 - Work was carried out at 210 - 221 HGH and description reads "No hot water from communal boiler - Dwelling".	This is not challenged by the Respondents

41	> Work order 5972805/1	201.17	<ul style="list-style-type: none"> Excessive cost for T Brown engineer to meet inspector on site. Where was inspector from, where exactly and why were they meeting - what work done? 	<ul style="list-style-type: none"> £65.04 "Turn off water, drain down, flush, refill, vent and balance system with over 10 No radiators - RADIATORS"; £32.42 - "Renew insulating jacket, any size - HOT WATER CYLINDER"; £7.85 - "Copper tubing to BS 2871, Part 1 Table X with capillary or compression fittings in the running lengths - Extra for three ended fitting, 15 mm - PIPEWORK"; £7.34 - "Copper tubing to BS 2871, Part 1 Table X with capillary or compression fittings in the running lengths - Extra for two ended fitting, 22 mm - PIPEWORK"; £33.01 - "Copper tubing to BS 2871, Part 1 Table X with capillary or compression fittings in the running lengths - Heating, service or overflow pipework in repairs including made bends, 15 mm - PIPEWORK"; £43.98 - "Copper tubing to BS 2871, Part 1 Table X with capillary or compression fittings in the running lengths - Heating, service or overflow pipework in repairs including made bends, 22 mm - PIPEWORK"; £11.53 - "Copper tubing to BS 2871, Part 1 Table X with capillary or compression fittings in the running lengths - Extra for three ended fitting, 22 mm - PIPEWORK" 	This is not challenged by the Respondents
42	> Work orders 6088345/1, 6018194/1, 6095785/1, 6153149/1, 6160698/1	74.75	<ul style="list-style-type: none"> Work relates to tenant issues inside own flats – not chargeable to block 210- 221HGH. 	<ul style="list-style-type: none"> 6088345/1 - This relates to a cooker reading and will be credited back. 6018194/1 - Work was carried out at 210 - 221 HGH, description reads "Wall thermostat is broken even when turned off heating still on - Dwelling". 6095785/1 - This relates to a cooker reading and will be credited back. 6153149/1 - Work was carried out at 210 - 221 HGH and description reads "Heating won't turn off - Tnt says that her heating will not turn off. - Dwelling". 	Works numbered 6088345 and 6095785 were conceded. The costs to the Respondents were reduced to £1.59 and £1.06
Grounds maintenance					

43	• Block cost of £2003.29 > 215HGH cost of	44.10	• Under the grounds maintenance bed weighting calculation, LBS categorises 'block' as being 210-269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for grounds maintenance incurred in respect of the building 210- 221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 7/78 units (not 7/318)	For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of grounds maintenance. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is 0.85p per week.	This is not challenged by the Respondents
44			• Please provide a breakdown of the 69.39 hours and details of the work done for the building 210-221HGH. (We note that the number of hours worked are more than the 64.83 worked in YE 2012 and YE 2013.)	The number of hours allocated to each block/ estate is supplied by the contractor and there are no further breakdowns available.	This is not challenged by the Respondents
45			• £28.87 per hour for grounds maintenance appears excessive. Two comparisons from 2017: Countrywide (South London branch at http://www.countrywidegrounds.com/london-(south).html) - £25/hr); Fantastic Gardeners (https://www.fantasticgardeners.co.uk/prices/) £55/hr for two people, equipment and waste disposal = £27.50/hr/person	This is the hourly rate for providing the grounds maintenance service. This includes wages, supplies, supervision and any overheads.	This is not challenged by the Respondents
46	Administration charge	118.63	- To be reduced in line with any agreed reductions to disputed charges	This will be taken into account when credits are being processed.	noted

> Work orders 6372206/1, 6306600/1,	138.62	* Responsibility of individual leaseholder/tenant to pay due to cause of repair being inside property	* 6372206/1 - Description reads "Over flow pipe Outside Maisonette 216-221 HGH remedy leak." Charge is valid. * 6306600/1 - Description: reads "The drain under the kitchen window of flat xxx is blocked and nothing is going down it resulting in the earth surrounding it becoming sodden & full of flies keeps happening time & time again & is very unpleasant. - Drainage from block". Charge is valid.	This is not challenged by the Respondents
> Work orders 6323373/1, 6059517/1, 6302599/1, 6610440/1, 5501721106, 6323369/1,	577.62	* Unclear what work has been done and/or where (no exact location disclosed). In addition, significantly different costs charged for same work (6302599/1 @£60 and 6610440/1 @£12.06).	Works carried out at 210-221 HGH, descriptions as per breakdowns provided.	This is not challenged by the Respondents
> Work order 6222689/1	61.12	* Duplicate cost/item	Please provide the alleged duplication work order reference.	This is not challenged by the Respondents
> Work order 6272016/1	205.52	* Which flat and how was glass broken? (Cost charged is excessive, as tenants paid £60 to repair broken pane in 215HGH front bedroom in June 2012)	There are no details as to how glass was broken. The work was carried out at 210-221 HGH and charged based on the agreed schedule of rates.	This is not challenged by the Respondents
> Work order 6563059/1 flat roof walkway items	2259.98	* Where was this work done (which flats affected, and was it on the walkway or the flat roof on top of building)?	Work was carried out to 210-221 HGH, description reads "Flat roof is leaking - Resident at flat xxx reports that his roof leaks when ever it rain and also it's effecting other flats such as 217, 218,219 and so on. - Block"	This work relates to the roof and is not a repeat of the works at 8 on page 37. It is payable
		* Duplicate £922.40 charge on 27/3/15.	Please provide the alleged duplication work order reference.	This is not challenged by the Respondents
		* In addition, why did this repair need to be done again in March 2015, only 3.5 years after either a) £6033.09 was spent recovering and waterproofing the walkway (WOs 5096683/1, 5064268/1, 4972577/1), or b) £5832.24 was spent repairing the roof (WOs 4918266/1, 4838709/1)? If repair is to same roof area/walkway, the cost should have been covered under warranty.	The Council has an obligation to maintain the structure of the block and carry out any necessary repairs.	The specification does not disclose duplication and is payable
> Work order 6597633/1 draining tanks	723.84	* Excessive cost for item - charged £480.40 in 2013-14 for same work (order 6096655/1)	Charge is based on the agreed schedule of rates.	This is not challenged by the Respondents
> Work order 6245557/1 clearing gutters on 8/5/14	215.36	* Excessive cost for item - charged £107.68 on 27/3/15 for same work	Charge is based on the agreed schedule of rates.	This is not challenged by the Respondents
> Overheads	1023.53	* Please provide a breakdown of how this cost has been calculated and what it is for.	Overheads are the costs, such as staff salary costs for council staff involved in managing communal services. They also include office and IT costs,	This is not challenged by the Respondents
		* If calculated on a percentage basis, reduce overhead cost to account for responsive repairs costs credited	This will be taken into account when credits are being processed.	This is not challenged by the Respondents

Estate Lighting				
• Estate charges	4.26	• Please provide a breakdown of what this cost is for	Please see breakdown provided.	This is not challenged by the Respondents
• Block charges:				
> Work order 6586077/1	40.67	• Where is the location of this work, as if work not done to 210 221HGH it is not a block charge? The description states that this is an estate lighting charge.	Work was carried out to 210-221 HGH.	This is not challenged by the Respondents
> Work orders 6290337/1, 6420315/1, 6497837/1	265.79	• Where is the location of this emergency lighting work?	Work was carried out to 210-221 HGH.	This is not challenged by the Respondents
		• £86 of work order 6290337/1 is duplicated in work order 6420315/1, and £24.49 of work order 6420315/1 duplicated in work order 6497837/1	As per the description these repairs have been carried out in different months, therefore there is no duplication.	This is not challenged by the Respondents
> Work order 6618176/1 emergency lighting PPM	472.5	• What work was done and where?	Work was carried out to 210-221 HGH, no further details on the system.	This is not challenged by the Respondents
> Work order 6343191/1	40.00	• What work was done where? It appears from the description that part of the work is not for 210-221HGH but for 222- 269HGH, so not a block charge	This will be re-apportioned accordingly.	Charge waived amounting to £4.58
> Council electricity 31/03/2014 'estate lighting'	443.68	• How is this charged/allocated from estate to block?	The cost is allocated on a bed weighting method.	This is not challenged by the Respondents
		• Does the meter provide electricity only for estate lighting?	The meter provides electricity for all services and it is then allocated as per the survey to each service element.	This is not challenged by the Respondents
		• The date of the charge is in the previous service charge year. In addition, the charge is dated the same day as a different sum charged for the same item in the previous year's accounts ('block electricity allocation £452.71).	As per the comment made on the 2013/14 schedule this is an error and the cost relates to 2014/15.	This is not challenged by the Respondents
> Council overheads 31/3/2014 @16%	239.85	• Why has the rate increased from 11% in 2013-14?	Overheads due to their nature are variable. Both the overheads amount and cost of a specific service are variable, therefore the percentage can not be fixed.	This is not challenged by the Respondents
		• As it is calculated on a percentage basis, reduce overhead cost to account for estate lighting costs credited	This will be taken into account when credits are being processed.	noted
District heating				
		• The bed weighting figures used for boiler cost apportionments (825 and 184) do not take into account Virgin Media's 4 units.	No cost associated with the commercial unit is included in the calculation, therefore the divisor does not include the same unit.	This relates to a cupboard which does not have heating or hot water. Allowed for the Council
• Fuel/Gas - invoices G3378697, G3363020	4097.6	• Dates are not within 1 April to 31 March service charge year	The Council operates on a cash basis. That means to say an expense is incurred when it is being paid for.	see earlier decision on impact of s20B
• Boiler PPM maintenance	7791.13	• Please provide breakdown of what these costs cover and confirm if the work was contracted under a long-term agreement.	This is an annual contract sum for planned and preventative maintenance to ensure that all equipment is regularly serviced and in good condition.	Agreed at £4,000
• Overheads	2609.92	• How are these costs calculated and what are they for?	Overheads are the costs, such as staff salary costs for council staff involved in managing communal services. They also include office and IT costs, transport costs, communications, enquiries and complaints. An element for overheads is incorporated in the charge for the services listed, as it is an integral part of the cost of providing a service.	This is not challenged by the Respondents

		• If calculated on a percentage basis, reduce overhead cost to account for district heating costs credited	This will be taken into account when credits are being processed.	This is not challenged by the Respondents
• Electricity	2768.68	• Please provide breakdown of these costs	No further breakdowns available.	This is not challenged by the Respondents
		• Does the meter provide electricity only for the boiler house?	The meter provides electricity for all services and it is then allocated as per the survey to each service element.	This is not challenged by the Respondents
• Boiler repairs:				
> Work order 6215654/1	269.14	• What exactly was measured at a cost of £196.80 and why did T Brown need to provide access and reset the boiler at a cost of	Description reads "(DL) FAO T xxx - To give access to GMI and reset boiler"	This is not challenged by the Respondents
> Work order 6288578/1	268.31	• Which door/wall was worked on and is £176.05 the cost of labour?	There is no mention of the specific location of the wall. £92.26 is the cost of materials and the remainder is the charge for the building operator.	This is not challenged by the Respondents
> Work order 6378115/1	55.12	• Not chargeable to our block (part of 222-269HGH major works). Credit of this cost was already agreed with tenant of 220HGH in January 2016 and not applied to this account	This will be taken into account.	this is not claimed by the Council
> Work order 6575367/1	225.82	• Where are the 10 radiators located and why did Swanngroup shut down the system? Credit of this cost was already agreed with tenant of 220HGH in January 2016 and not applied to this account	This will be taken into account.	this is not claimed by the Council
> Work order 6596972/1	537.43	• What exactly was done within these 'remedial works'?	Further description reads "MEASURED WORK INTERNAL"	disallowed as no evidence adduced by the Council to show what these works
> BT 31/03/15	26.52	• What are these telephone monitoring systems? This is called an annual charge but does not appear in any previous or subsequent years	I understand telephone monitoring systems have been used in some years depending on the requirements of the boiler house.	disallowed as no evidence adduced by the Council to show what these works
> Work order 5925828/1 replacement of burners	18460	• Why was this work required? The tenants were not consulted as required under S20 to establish the need and reasonable cost for the work	This work is for replacing the boiler burners and the relevant notice has been served on 28 August 2014.	It is said that this was works under a QLTA and that the consultation required had been undertaken. No copy of the consultation letter or QLTA was produced. The Respondent accepted a liability of £250
		• This repair work constitutes major works, and not "large-scale routine repair" as stated in an email from Charlotte Dowding of LBS to Sean Stevens on 17/3/2016, and therefore it is limited to maximum £250 per leaseholder	The Council's position is that this is a large-scale routine repair.	
		• It is also understood that this charge is based on an estimated not actual cost, incurred on the last day of the service charge year	This will be addressed with the relevant department and an update provided to the homeowner as soon as practicable.	noted
• Non-boiler repairs:				

> Work orders 6435196/1, 6329791/1	47.29	<ul style="list-style-type: none"> Which dwellings are referred to? All work relates to either LBS having failed to turn off (and then on again) the heating system between summer and winter, or to a tenant requesting that the heating within their own flat be turned off then on again <ul style="list-style-type: none"> neither of which should be chargeable to the block. In January 2016, the tenant of 220HGH was told Paul Gathercole of LBS would investigate this and reply, but no reply has yet been received 	This will be forwarded to Paul Gathercole and an update will be provided to the homeowner as soon as practicable.	noted
Grounds maintenance				
• Block cost of £2062.27 > 215HGH cost of	45.40	<ul style="list-style-type: none"> Under the grounds maintenance bed weighting calculation, LBS categorises 'block' as being 210-269 HGH, whereas in the lease provisions (Schedule 3, 7(6)), service charges must be allocated by 'building' which is defined on page 1 of the lease as 210-221 HGH. Therefore the tenants are only liable for charges for grounds maintenance incurred in respect of the building 210- 221 HGH. The correct bed weighting allocation should be the number of hours spent working on 210-221 HGH alone divided by the block bed weighting of 7/82 units (not 7/318) 	For administrative purposes, the Council defines the block as 210 - 269 HGH for the provision of grounds maintenance. The layout of the building is identical, therefore the hours spent cleaning the smaller blocks are similar and calculating the charges based on smaller blocks (ie 210-221 HGH) would result in a similar contribution. The homeowner has not suffered any prejudice in this instance. The contribution is 0.79p per week.	This is not challenged by the Respondents
		<ul style="list-style-type: none"> The block and estate bed weighting (318 and 1219) do not take into account Virgin Media's 4 units as per other bed weighting allocations. 	No cost associated with the commercial unit is included in the calculation, therefore the divisor does not include the same unit.	This is not challenged by the Respondents
		<ul style="list-style-type: none"> Please provide a breakdown of the 69.39 hours and details of the work done for the building 210-221HGH. (We note that the number of hours worked are exactly the same this year as last year.) 	The number of hours allocated to each block/ estate is supplied by the contractor and there are no further breakdowns available.	This is not challenged by the Respondents
		<ul style="list-style-type: none"> £29.72 per hour for grounds maintenance appears excessive. Two comparisons: Countrywide (South London branch at http://www.countrywidegrounds.com/london-(south).html) - £25/hr); Fantastic Gardeners (https://www.fantasticgardeners.co.uk/prices/) £55/hr for two people, equipment and materials 	This is the hourly rate for providing the grounds maintenance service. This includes wages, supplies, supervision and any overheads.	This is not challenged by the Respondents
Administration charge	177.75	<ul style="list-style-type: none"> To be reduced in line with any agreed reductions to disputed charges 	This will be taken into account when credits are being processed.	noted