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Residential  
Property  
TRIBUNAL SERVICE

**LEASEHOLD VALUATION TRIBUNAL for the  
LONDON RENT ASSESSMENT PANEL**

**Landlord and Tenant Act 1985 – Section 27A**

**LON/00AU/LSC/2010/0243**

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**Property : Flat D, 50 Crayford Road London N7 0ND**

**Applicant : Ms Deborah Levitt**

**Represented by : Ms D Levitt In Person  
Supported by Ms N Anstey**

**Respondent : London Borough of Islington**

**Represented by : Miss C Thoroughgood, Mr N Rowland and  
Ms S Owen**

**Date of Application: 6 April 2010**

**Date of Hearing : 16 August 2010**

**Date of Decision : 22 October 2010**

**Tribunal : Mr John Hewitt Chairman  
Mr Michael Mathews FRICS  
Mrs Jane Clark JP**

**Decision**

1. The decision of the Tribunal is that:
  - 1.1 The sum of £2,003.13 is payable by the Applicant to the Respondent in respect of her contribution to the cost of major works;
  - 1.2 By consent an order shall be made and is hereby made to the effect that no costs incurred by the Respondent in connection with these proceedings shall be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by Applicant;
  - 1.3 The Respondent shall by 4pm Friday 19 November 2010 reimburse the Applicant the sum of £250 fees paid by her in connection with these proceedings.

**NB** Later reference in this Decision to a number in square brackets ([ ]) is a reference to the section number and the page number of the hearing file provided to us for use at the hearing.

#### **The Lease**

2. The lease is dated 28 October 1991 and was granted by the Respondent (the Council) to Nicola May Gregg for a term of 125 years from 29 September 1991. The ground rent is £10pa.
3. The demised premises are a self-contained flat laid out on the first, second and third floors of the building known as 50 Crayford Road. The building is a Victorian House which has subsequently been converted into four self-contained flats.
4. The lease obliges the Council to keep the building in repair and to redecorate the common parts and the exterior. The lease obliges the tenant to contribute to the costs incurred by the Council. It was not in dispute that the Applicant's share of the service charge costs is 25%.
5. The lease terms were not in dispute.

## **Background**

6. The Council has entered into an arrangement with a company known as Partners For Improvement in Islington Limited (Partners) under which Partners provides a number of services to the Council, including the management of its long leasehold residential estate. Partners acts as the Council's managing agent. Partners appears to be connected with United House Limited (United), a company which organises and provides building and other services.
7. In May 2008 Partners gave notice pursuant to s20 of the Act that the Council proposed to carry out works to repair and redecorate the windows in the building, to carry out external repairs, maintenance and redecoration works and to redecorate the internal common parts. The notice is at [4/1]. A statement of the estimated costs is at [4/7].
8. The works were duly carried out during 2008. From the outset the Applicant was dissatisfied with the quality of the works and the lack of proper care and attention of the various tradesmen who carried out the works.
9. The contract for the works was placed with United who supervised the works in-house but engaged a number of sub-contractors to carry out the works.
10. At the hearing Mr Neil Rowland, a senior quantity surveyor employed by United gave evidence and took us through the contractual set up.

## **Inspection**

11. On 16 August 2010 and prior to the hearing we had the benefit of an inspection of the building and Ms Levitt's flat in the company of Ms Levitt and Ms Anstey and Ms Thoroughgood, Mr Rowland and Ms Owen representing the Council. The inspection was of inestimable value to us and a number of physical features of the properties and the works carried out were drawn to our attention.

12. It was plain that Ms Levitt has set high standards for herself in her flat and evidently her expectation was that these high standards would be replicated by the Council when procuring the major works. Ms Levitt was plainly disappointed at the standards of workmanship achieved by the various sub-contractors engaged on the project and also had concerns about what she regarded as the high costs of some of the works.

### **Matters in Dispute**

13. In essence the gist of the case for Ms Levitt was the poor quality of the materials provided and the poor quality of the workmanship achieved in a number of areas. This she submitted was compounded by a lack of proper and adequate supervision and checking both on the part of supervision/ management within the various sub-contractors engaged by or on behalf of United and by United itself.
14. Ms Levitt and Ms Anstey drew to our attention a number of examples, including, but not limited to, the replacement window in her bedroom and the fittings and the way in which the fittings are fixed, pointing, internal decorations, the overhaul of the front door, the quality of the nosings fixed to the stair treads and the quality of the carpet laid in the common parts.
15. We do have sympathy with Ms Levitt but we find that in some respects and on some matters her expectations were unrealistically high for major works of this type being carried out by a local authority. This has inevitably been reflected in our findings set out below.

### **Discussion and Findings**

16. In general terms the overall impression we were left with was that the project had been taken forward in a cheap and cheerful way. Some external painting was undertaken so poorly that it is lifting in places. Mr Rowland said that he would get the contractor back to redo this inadequate work, at no cost to the lessees.

17. The ironmongery provided and the nosings to the stair treads were of poor quality but just about serviceable. The new lights were functional and industrial in style and whilst not really appropriate in a pleasing residential environment we cannot say that they are wholly unserviceable such that the cost of them should be disallowed or adjusted.
18. The new window fitted to the top bedroom is of poor/cheap quality and not well fitted. It is however just about serviceable and adequate.
19. Some work undertaken was inept and required constant nagging before United was able to get improvements carried out. We were told that United carried out inspections for quality control purposes. We were not shown copies of them. We were told that snagging had been undertaken and remedial works carried out but we were not provided with copies of documents referring to this.
20. Mr Rowland explained that United was the main contractor but does not itself carry out works. It appears to have a range of sub-contractors upon whom it can call. Evidently some work is put out to competitive tender but other work is placed with favoured sub-contractors on an approved list. With some, but all, there are agreed schedules of rates which may or may not have been arrived following a competition.
21. Evidently there are limited inspections carried out on site to check quality levels. Further invoices received are not scrutinised closely to ensure accuracy. United appears to have set up arrangements with many of its sub-contractors whereby they self-bill. We conclude from this that there little real control exercised over the quality of works carried out and the costs incurred. We were reinforced in this finding by the evidence of Ms Levitt when she described the conduct and work practices of some of the tradesmen employed on the project, many of whom she did not think understood English.

22. Included within the papers were some inspection reports e.g. [4/34 and 4/45]. We could not place any reliance on them because no report is available and evidently if access to a flat is required but not achieved the default position is to allocate a pass. The inspection reports seem to us be meaningless and unreliable.
23. Having made some general comments on the poor management and implementation of the project we now turn to several specific issues.
24. The Council conceded that Ms Levitt ought to pay for 4 windows to be redecorated and not 5 because the fifth window was in such a poor state of repair that it required total replacement. We have therefore adjusted the cost accordingly.
25. Next we deal with the claim to £250 in respect of damp proof works. These works were not part of the major works project carried out under the subject consultation. We were told that they were carried out some while ago. They should have been the subject of a consultation exercise but were not and so the Council limited its claim to the cap of £250. However the Council was not able to tell us what work was done, when or why, or at what cost. All that the Council was able to produce to us was a copy of the lease plan for flat 50A [5/1] on which some manuscript annotations have been made and a 20 year guarantee at [5/2]. We found these to be quite inadequate for our purposes. No information was given as to what work was carried out and at what cost. We disallow the claim to £250 because the Council failed to persuade us that the sum claimed was expended, was reasonably incurred and is reasonable in amount.
26. There were issues about the cost of scaffolding charged to the account. The Council accepted that an adjustment was required. It withdrew the claim to cost of scaffolding connected with the repair to the dormer window and accepted an adjustment was required because

- a charge had been made for a 3 storey rear addition whereas it should only have charged for a 2 storey rear addition. We accepted and preferred Ms Levitt's evidence that the scaffolding did not go over the roof but went to the rear of the building via the internal common parts. We have therefore adjusted the cost of scaffolding down to £483.75.
27. We accepted and preferred Ms Levitt's evidence that at no time were any safety measures provided with regard to the spiked railings at the front of the building. The Council had no evidence that such safety were in fact provided. We have therefore disallowed this item.
  28. Ms Levitt was adamant that plywood had not been laid on the ground floor hallway because she had not seen the work being undertaken. During the course of our site visit the carpet was lifted to reveal plywood beneath. We have therefore allowed this item.
  29. Ms Levitt was particularly critical of the quality and costs of the new carpet and the nosings on the stair treads. We find that carpet and the nosings to be functional and, in the light of our expertise in these matters just about within the price range of what is to be regarded as reasonable.
  30. We have made a modest adjustment to the cost on internal common parts redecoration to reflect the poor quality of the work. In doing so we comment that there is often a trade-off between quality and cost. Whilst some lessees might be satisfied with the cheapest job there are others who may well prefer a better quality and perhaps a longer lasting outcome over cost. The Council is urged to have some regard to its lessees' wishes and preferences in this regard.
  31. Mr Rowland explained to us that United impose a charge of 20.25% which it refers to as Preliminary Costs in order to recover its own costs in providing the specification of works and procuring the works to be carried out and supervising them. Mr Rowland was unable to explain to

us how the figure of 20.25% was arrived at; still less that it produced a reasonable sum to impose. We have adjusted it down to 12.5% to reflect the fact that this project was very poorly procured, managed and supervised. Many defects have only been put right due to the constant and justified nagging on the part of Ms Levitt.

### **The section 20C Application – limitation of landlord's costs of the proceedings**

32. An application was made under s20C of the Act with regard to the landlord's costs incurred or to be incurred in connection with these proceedings and an order was sought that those costs ought not to be regarded as relevant costs in determining the amount of any service charge payable by Ms Levitt.
33. Ms Thoroughgood said that the Council did not propose to pass any costs of these proceedings through the service charge and agreed that for avoidance of doubt an order should be made by consent. We have therefore done so.

### **Reimbursement of Fees**

34. An application was made for the reimbursement of fees of £250 paid by Ms Levitt in connection with these proceedings. The application was opposed.
35. It is evident that the parties have made some efforts to resolve matters between them by negotiation (but we have not seen any details) although unfortunately no concluded agreement was arrived at.
36. The Tribunal determines that it would be just and equitable for the Council to reimburse the fees of £250 and we have made a requirement that it does so. In arriving at this decision we have taken into that concessions as to the cost of scaffolding were only made part way through the hearing and that taken overall Ms Levitt has been able



to persuade us that several of the charges claimed by the Council should be adjusted or removed completely.

### **The law**

37. Relevant law we have taken into account in arriving at our decision is set out in the Schedule to this Decision.

### **The Schedule**

#### **The Relevant Law**

#### **Landlord and Tenant Act 1985**

**Section 18(1)** of the Act provides that, for the purposes of relevant parts of the Act 'service charges' 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.

**Section 19(1)** of the Act provides that 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 provision of services or the carrying out of works, only if the services are of a reasonable standard;

and the amount payable shall be limited accordingly.

**Section 19(2)** of the Act provides that 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 of subsequent charges or otherwise.

**Section 20C(1)** of the Act provides that 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 leasehold valuation tribunal 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.

**Section 20C(3)** of the Act provides that the tribunal may make such order on the application as it considers just and equitable in the circumstances.

**Section 27A** of the Act provides that 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.

#### **Leasehold Valuation Tribunals (Fees) (England) Regulations 2003**

**Regulation 9(1)** provides that subject to paragraph (2) a Tribunal may require any party to the proceedings to reimburse any other party to the proceedings for the whole or any part of any fees paid by him in respect of the proceedings.

**Regulation 9(2)** provides that a Tribunal shall not require a party to make such reimbursement if, at the time when the Tribunal is considering whether or not to do so, it is satisfied that the party is in receipt of any of the benefits, the allowance or a certificate mentioned in regulation 8(1).

Regulation 8(1) makes reference to a number of benefits/allowances including, but not limited to, income support, housing benefit, jobseekers allowance, tax credits, state pension credits and disability related allowances.

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John Hewitt

Chairman

22 October 2010

Item	Sum Claimed	Sum Allowed	Notes
<b>Internal Works</b>			
Redecorate windows	£ 175.00	£ 140.00	Only 4 windows to be paid for
Repair and overhaul	£ 140.00	£ 140.00	Cost reasonable
<b>External Works</b>			
Damp works	£ 250.00	£ -	No evidence from R that works reasonable
Clear Flush Gullies	£ 5.00	£ 5.00	Cost reasonable
Safety protection to spiked railings	£ 12.50	£ -	Not satisfied that this was done
Scaffolding	£ 770.25	£ 483.75	R conceded an adjustment
Redecoration of common parts	£ 50.00	£ 50.00	Cost reasonable
Redecoration of walls	£ 80.00	£ 70.00	Minor adjustment to reflect quality of work
Redecoration of soffits and ceilings	£ 15.00	£ 15.00	Cost reasonable
Overhaul entrance door	£ 15.00	£ 15.00	Cost reasonable
Renew door entry system	£ 155.14	£ 155.14	Cost reasonable
Test electrical system	£ 25.00	£ 25.00	Not challenged
Lay plywood to hallway floor	£ 37.50	£ 37.50	Cost reasonable
Supply & fix aluminium nosings	£ 55.25	£ 55.25	Cost reasonable
Floor carpet	£ 66.00	£ 66.00	Cost reasonable
Rod downwater pipes	£ 3.75	£ 3.75	Not challenged
Rebed covers	£ 5.00	£ 5.00	Not challenged
Clear gutters	£ 3.75	£ 3.75	Not challenged
Redecorate external doors	£ 17.50	£ 17.50	Cost reasonable
Redecorate fascia, soffit & bargeboards	£ 15.00	£ 15.00	Cost reasonable
Redecorate previously painted metal	£ 37.50	£ 37.50	Not challenged
Redecorate rainwater goods	£ 30.00	£ 30.00	Not challenged
Redecorate walls	£ 105.00	£ 57.70	Cills poorly done 50% allowed
Rake out brickwork	£ 69.70	£ 69.70	Cost reasonable
Repainting	£ 33.00	£ 33.00	Cost reasonable
Repoint around window frames	£ 123.75	£ 123.75	Cost reasonable
Redress and repoint	£ 2.50	£ 2.50	Not challenged
Replace slates	£ 1.38	£ 1.38	Not challenged
Brickwork repairs	£ 1.68	£ 1.68	Not challenged
Remove vegetation	£ 2.50	£ 2.50	Not challenged
Sub-total	£ 2,303.65	£ 1,662.35	
Contractor's overheads @ 8%	£ 184.29	£ 132.99	
Preliminary costs @ 20.25%	£ 466.49	£ 207.79	12.5% allowed as project was not well managed
<b>Total</b>	<b>£ 2,954.43</b>	<b>£ 2,003.13</b>	