



Residential  
Property  
TRIBUNAL SERVICE

**THE LEASEHOLD VALUATION TRIBUNAL**

**IN THE MATTER OF AN APPLICATION MADE UNDER SECTIONS 27A and 20C OF  
THE LANDLORD AND TENANT ACT 1985 ('THE ACT')**

**CASE REFERENCE: LON/OOAP/LSC/2009/0156**

**Applicant: Harrison Vaughan Limited (Landlords) and  
Feldgate Limited (Managing Agents)**

**Respondents: Mr B A Maguire (Leaseholder of Flat 88F)**

**Miss D M Maragh (Leaseholder of First Floor Flat)**

**Mr J Richards (Leaseholder of Ground Floor Flat) and**

**Mr C D Smith (Leaseholder of Second Floor Flat)**

**Premises: 88-88A Park Lane, London N17 0JR**

**Date of Application: 20 March 2009**

**Date of Oral Pre-trial Review: 28 February 2009**

**Date of Tribunal's Directions: 30 April 2009**

**Date of Hearing: 1 September 2009**

**Appearances: Mr A Berger of Feldgate Limited on behalf of the applicants. Mr  
Richard Cherry and Miss Holly Boyd (both of BPP Law  
School representing all the respondents except for Mr  
Richards)**

**Date of Decision: 7 September 2009**

**Leasehold Valuation Tribunal: Professor James Driscoll, LLM, LLB, Solicitor,  
Mrs Alison Flynn and Mrs Gerda Barrett, JP**

## **DECISIONS**

The tribunal's determination of the recoverable service charges for the service charge periods 25 September 2007 to 24 September 2008 and 25 September 2008 to 24 September 2009 is £1,677.

A copy of a schedule showing the individual items claimed, the respondent's comments and the replies to those comments appears as an Appendix to this decision.

In relation to the proposed major works at the premises the tribunal determines that the applicants have complied with the statutory consultation requirements required by Section 20 of the Act except for one minor error which does not invalidate the statutory consultation process.

The tribunal also determines that that contractors proposed costs of £59,848.79 should be reduced by £5,900 because of the applicants failure to have commissioned the works in a timely fashion. Accordingly, the tribunal determines that the proposed costs for major works is £53,948.79 to which VAT is to be added.

In addition, the tribunal determines that a total management costs that can reasonably be recovered for managing the proposed works is 15% of the proposed expenditure of £53,948.79 to be divided as between 12% for the supervising surveyors (name to be inserted) and 3% to Feldgate Limited the appointed managing agents. VAT will be added to these charges.

These determinations do not affect the rights of the leaseholders to challenge the reasonableness of the charges if the works prove to be unsatisfactory.

As to the costs of the application, the tribunal determines under Section 20C of the Act that the maximum costs recoverable by the applicants as a service charge is £500 to include the tribunal fee of £350.

## BACKGROUND TO THE APPLICATION

### The Application

1                    This application concerns a property which was originally constructed as one of two semi-detached houses. Later, the property was converted into four flats: the largest is the ground floor flat which has its own separate entrance and there are two flats on the first floor and one flat on the second floor. All four of the flats are held on long leases. The leaseholder of the ground floor flat pays 40% of the service charges and the remaining 60% is divided equally between the other three leaseholders.

2                    The owner of the freehold and the landlords under the leases are the first applicants, Harrison Vaughan Limited. In March 2007 they appointed Feldgate Limited as the managing agents (and they are the second applicant).

3                    It is common ground between the applicants and the respondents that the property is in a very poor state of repair and requires substantial works to bring it up to standard.

4                    Application is made on behalf of the landlords by Feldgate seeking a determination under Section 27A of the Act.

5                    At the hearing of the pre-trial review on 28 April 2009, Mr A Berger appeared on behalf of the applicants whilst the respondents with the exception of Mr Richards who is the leaseholder of the ground floor flat, were represented by Mr Richard Cherry and Miss Holly Boyd members of the BPP Law School. Directions were given by the tribunal on 30 April 2009.

6                    At the pre-trial review the tribunal identified the following issues that are to be determined:

    The reasonableness and recoverability of service charges for the year 09.2007 – 09.2008 of:

        Minor repairs - £2496.64

        General management fee - £690

        Communal cleaning charges - £1,014

        Cost of the drain report - £1,762.50

There was no dispute as to the insurance premium or the insurance questionnaire

- The reasonableness and recoverability of the following services for the year 09.2008 – 09.2009 of:

Minor repairs - £848.27

Communal cleaning charges - £520

Management fee - £805

There was no dispute as to the insurance premiums or the cost of an asbestos survey

- Proposed major works and whether the applicants comply with consultation requirements of Section 20 of the Act and whether the major works costs are being reasonably incurred and recoverable.

The necessity that the works should be carried out soon or not is not in dispute.

- 7 In accordance with the directions the applicants prepared a bundle of documents. The tribunal was disappointed to discover that the bundle was not well prepared. The front page of the bundle mis-describes the applicants and the respondents and, more seriously, the bundle was not properly indexed, and many of the copied documents were of poor quality and difficult to read. Some of the documents, including the copy of a specimen lease were incomplete. The tribunal mentions this as it made their task, including the conduct of the hearing, more difficult than it need have been. At the hearing of the application on 1 September, Mr Berger made a number of representations on behalf of the applicants. Two of the respondents attended, Mr Smith and Mr Maguire who were represented by members of the BPP Law School.

## The Hearing

### Minor Works

8           The tribunal suggested to Mr Berger that it appeared that there are documents that are relevant to the application which were not included in the bundle. Later in the day Mr Berger was able to produce a copy of the contract between his company and the landlords, a copy of a contract made between the landlords and a company called Crown Cleaning Company, a copy of the second tender received in relation to the proposed major works, and a statement of statutory rights which Mr Berger says is always sent out with service and administration charge demands. The tribunal proceeded to consider the minor works for the two service charges in question noting that for the second year some of the costs would be estimates as the service charge year does not finish until 24 September 2009.

9           A schedule was prepared by the respondents listing the different items for the minor repairs in the form of what is often called a "scott schedule" with the applicants statement of costs, the respondents comments, and the applicants reply. There is a copy of this schedule on pages 241-246 of the bundle. For ease of reference a copy is appended as an Appendix to this decision.

10           For each of the two service charge years the great majority of the costs have been incurred by a company called Regal Property Maintenance and one from a company called Crown Service .

11           Under 27A of the Act liability to pay service charges is as follows:

(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.
- (6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—
- (a) in a particular manner, or
  - (b) on particular evidence,
- of any question which may be the subject of an application under subsection (1) or (3).
- (7) The jurisdiction conferred on a leasehold valuation tribunal in respect of any matter by virtue of this section is in addition to any jurisdiction of a court in respect of the matter.[...]

12           Mr Smith suggested that all of these minor works were carried out by one person who he knows only as "John" and who he believes is a Brazilian national. Mr Smith told the tribunal that in conversations with John (whose mobile telephone number he has) John told him that he is in fact employed by Feldgate and that he is paid £90 per day by them.

13           In response Mr Berger had told the tribunal that the person who has carried out the running repairs and other jobs to the property is most definitely employed by Regal Property Maintenance. Later during the hearing he told the tribunal that Crown Services is simply another name for the Regal Property Maintenance.

14           The tribunal examined various invoices (pages 76-107 of the bundle). None of these invoices sets out in any detail what specific works were carried out, how long the works took, or how the price was arrived at. Unfortunately Mr Berger was unable to assist the tribunal. He told us that his function at Feldgate Limited is to simply pay accounts as they are received and that a Mr Rottenburg, a colleague of his, is the person who checks the invoices.

15           We suggested to Mr Berger during the morning of the hearing that he arrange for Mr Rottenburg or somebody else from the office to attend to address the tribunal on the details for this work and why all of the invoices had been approved and paid. Later in the day Mr Berger told the tribunal that

neither Mr Rottenburg nor any other colleague would be able to attend. In these circumstances, the tribunal is not satisfied that the applicants have made out adequately their case for recovery of these charges. The tribunal prefers the proposals made by the leaseholders (see the appendix to this decision). Further, the tribunal disallows in full the costs claimed by the cleaning company as this duplicates cleaning costs claimed by Regal Property Maintenance. It is common ground between the parties that the common parts consist simply of an entrance hall and stairs for the two first floor flats and second floor flat.

16

The tribunal therefore determines that the reasonable costs recoverable in accordance with Section 20C for the two periods in question is a total of £1,677. The tribunal disallows the charges claimed by Feldgate for completing an insurance questionnaire. No copy of the completed questionnaire was available for us to consider and the tribunal was not satisfied that the managing agent was entitled to make this charge

## The Proposed Major Works

17                    These are substantial proposed works to the structure and exterior of the property including major replacement works to the roof over the porch area at the front of the building.

18                    Mr Smith and his representatives told the tribunal that he and his fellow leaseholders are not satisfied with the tender process. He himself proposed a contractor but complains that Feldgates did not invite that contractor to tender for the works in a timely fashion with the result that that contractor was unable to tender because of other work commitments. Mr Smith also complains that the two companies from whom quotations were obtained may be connected and in his view could conceivably be connected with Feldgate and/or the landlords. However he was not able to substantiate this claim.

19                    Another complaint was that in one of the notices the date for responses was incorrectly typed. The effect of this was to give the leaseholders three days less than the 30 days they were entitled to but the tribunal considers that this was a minor excuse for error, that no prejudice was suffered by the leaseholders and that this did not invalidate the consultation process.

20                    The tribunal, therefore, concludes that the tendering process was carried out in compliance with the statutory requirements. It follows that the applicants choice of contractors cannot be impuned.

21                    As it is common ground that the property is in substantial need of repair, the tribunal concludes that the applicants were correct in commissioning the works and have correctly selected a contractor.

22                    Mr Smith referred the tribunal to the correspondence and emails passing between himself and Feldgate Limited in which he has set out in detail his position that the landlords should contribute to a significant part of the cost because of their historic neglect in carrying out the repairs. He maintained this position during the hearing. He also complains that one leaseholder has sublet without the consent of the landlords as required by the lease. Mr Smith says that tenants of the ground floor flats have left rubbish in the common parts and have not behaved properly. He produced some photographs of the premises showing the accumulated rubbish and the general poor condition of the premises.

23                    Mr Berger did not take issue with the complaint that the repairs could have been carried out before. However, he did not believe that it was fair to require the landlord to meet any of the costs which he says are incurred in discharge of their obligations in the lease, the cost of which must be borne by

the leaseholders. Nor did he agree that the landlords are responsible for the effects of the ground floor flat being tenanted.

24 The leaseholders representatives relied on the well known decision of the Lands Tribunal in *Continental Property Ventures Inc. v White* (Ref: LRX-60-2005) which was published in 2006. In this decision the Lands Tribunal decided that in appropriate cases it is possible that leaseholders may seek to reduce costs levied on the basis that they are entitled to damages for the landlords failure to carry out timely repairs by way of an equitable set off. This tribunal noted this and asked Mr Smith and his representatives for full details of the proposed reduction.

25 Mr Smith had commissioned a survey from a company called Now Survey a copy of which is in pages 299-311 of the bundle. This report confirms the leaseholder's complaints that the proposed works are now more costly than they would have been if they had been carried out expeditiously. In the circumstances the tribunal concludes that the report (written by Mr Dan Butt, a partner in the firm) who proposed a deduction of £5,900 is correct. However, he was unable to provide details of the other losses claimed and we did not think that the statement from a lender that the property was unsatisfactory for lending purposes proved that the applicant landlords had caused this alleged loss.

26 The estimate from the proposed contractors "Maintaining London" which is £59,848.79 would therefore be reduced by £5,900 leaving the sum of £53,848.79. In addition, VAT will be chargeable.

27 In the consultation process it was proposed that the supervising surveyors should be entitled to a charge of 12% of the contract price in addition to Feldgate charging management fees of 10% of the same contract price. Mr Berger told the tribunal that his firm is perfectly justified as managing agents to assist in the supervision of the works and that his company has already incurred costs in light of the consultation process. Mr Smith and the other leaseholder complained that the total management fee is excessive. Their representatives told the tribunal that the usual total figure is 15% of contract price.

28 The tribunal considers that the total proportion proposed by the applicants of 22%, is far too high and represents nearly one-fifth of the cost of the actual work.

29 The tribunal therefore determines that the total management fees will be based on 15% of the contract price representing 12% in favour of the surveyors (name to come later) and 3% to Feldgate Limited. In both cases VAT will, no doubt, be added. We also note that these determinations do not

preclude later challenges to the service charges should the leaseholders have concerns over the quality of the works or their supervision.

## Recommendations

30 It is clear that the major works should be undertaken at the earliest opportunity to prevent any further damage or cost but the tribunal notes from paragraph 2 Schedule 5 of the lease that services charges for a particular period can be claimed in two instalments. This is contrary to the applicant's claim that the full amount should be paid in advance of the works being started. We were not shown any accountants reports or certificates in relation to the minor works charges and we have expressed our concerns over the lack of information which could show how the charges have been incurred. We direct that the applicants arrange for an audit and to obtain a certificate that the service charges have been properly incurred from a firm of accountants. We would expect this audit and certificate to be obtained and copied to all of the respondents by the end of November 2009.

## Costs

31 The respondents raised the issue of recoverable costs under Section 20C of the Act. Section 20C reads as follows:

(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 leasehold valuation tribunal, or the Lands 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 a leasehold valuation tribunal;

] (b) in the case of proceedings before a leasehold valuation tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any leasehold valuation tribunal;

(c) in the case of proceedings before the Lands 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.[...]

32                   The tribunal heard submissions on these points. The respondents complained that because of the delay in dealing with these matters, the applicants should not be entitled to require any costs associated with the application as a future service charge. Mr Berger for the applicants, however, maintained that the application had to be made because the leaseholders were refusing to pay some of the charges. He also said that of the four leaseholders only Mr Smith had made detailed complaints.

33                   The tribunal accepts that the applicants were justified in making the application but the tribunal's dissatisfaction with the way in which the bundle has been prepared and the way in which the matter was explained to the tribunal that whilst they was entitled to some costs that this would be limited to a total of £500 which includes the £350 payable in making the application.

Signed: *James Driscoll*

(James Driscoll, LLM, LLB, solicitor)

Dated: 21 September 2009

# APPENDIX

## Cleaning:

22. Cleaning is carried out fortnightly and originally we felt that this was sufficient, however this could be changed to weekly visits should it be required. We have photographic evidence of some of the visits showing that the cleaning is being done properly (exhibit FEL/A). In Exhibit "J" you enclose a price of £8.50 per hour for a cleaner. Presumably, you are thinking of domestic work where all the cleaning materials are supplied and the cleaner is dealing with the dirt accumulated by one household. May we respectfully point out that here we are dealing with communal areas used by a number of people, with dirt carried in and out by several pairs of shoes, prams, bicycles, etc, not to mention dumped rubbish. The fee charged also includes renewal of light bulbs, reporting of faults and damage to the property, etc. Incidentally, how do you propose the cleaner to be paid? Who should be responsible for the provision of cleaning materials? Who should deal with the bulky rubbish in the garden constantly dumped there by tenants?

## Minor Repairs:

23. Our reply to your claim that the charges made for minor repairs are not reasonable is in the right column of the schedule below.

Date of work	Maintenance work billed for	Cost	Complaint/evidence	Applicant's Reply
12/02/2007	Regal invoice 1177 Repair main entrance door that is difficult to open. Repaired and left in working order Repaired carpet which was coming away from the stairs	£85 £65  £20	This is an excessive amount as the Yale lock was quickly repaired and the carpet was merely tacked down. A total figure in the region of £50 would be appropriate in the circumstances.	The total of this invoice is £85 and not £85 + £65 + £20. They repaired the door and not the lock and we feel the amount is very reasonable. See exhibit FEL/B loose carpet.
12/02/2007	Regal Invoice 1178 Call out – to clear gutters from weeds and debris. Removed pigeon nest from loft area.	£182  £90	This is an excessive amount. There was not that much debris in the gutters and the large cost for the removal of a pigeon nest when the gutters are being cleared anyway is not acceptable. It states that the pigeon nest was removed from the loft area. I believe it was in the loft area but was outside of the property. A total figure in the region of £100	From the enclosed contractor's photographs you will see that there was a lot of debris, which took them several hours to clean. In the circumstances, the amount charged is reasonable. See exhibit FEL/C.

			would be appropriate in the circumstances.	
13/02/2007	Regal Invoice 1179 Cut down front hedges and carted 2 loads away Cleaned and tidied front garden	£310 £80	This is an excessive amount given the size of the hedges. The figure of £80 for the tidying up of a small front garden is excessive. A total figure in the region of £200 would be appropriate in the circumstances.  See photo showing small garden and hedge, Exhibit E	The hedges were very overgrown and the fact that there were 2 loads proves that there was a lot of work involved. We agree that it is not a very big garden; however there was a lot of rubbish so it took them several hours to clean. Therefore, the amount charged is reasonable. See enclosed supporting photographs. Exhibit FEL/D
14/02/2007	Regal Invoice 1180 Checked communal lighting and found 4 switches were broken. Connected 1 40w low energy bulb.	£290	This is an excessive amount. It would be a simple matter to establish the light switches are not working. None of the switches were fixed and the only cost appears to be for the 40w low energy light bulb. The contractor was at the property the previous day and could have checked the lights on that day. The bulb in question was working prior to being replaced with a low energy one, therefore this could have been replaced on a future visit. A total figure in the region of £2 would be appropriate in the circumstances.	The full wording of the report is: <b>Checked out all communal lighting found all 4 light switches were broken. (leaseholder of flat F didn't allow to repair as it is connected to her flat only) Connected only 1 40w low energy light bulb in the centre of the stair case to avoid danger.</b> This explains that there was considerably more to the job than just changing the bulb. In the circumstances, the amount charged is reasonable.
18/07/2008	Regal Invoice 1344 Sealed cracked roof tiles and broken cement fillets with bitumen and silicon to temporarily watertight the roof. Repaired metal roof gutter Unblocked gutter in two places	£413.56 £92 £180	I am not able to comment in detail on this work but it does appear excessive especially £180 for unblocking gutter in two places. There appears to be a pattern of overcharging for maintenance works at the property and in view of this I feel that there is a distinct possibility that the total cost of £685.56 has not been	Please see enclosed photographic evidence of the work carried out. As you can see, there was a lot of debris in the gutters. Therefore, the amount charged is reasonable. Exhibit FEL/E

			reasonably incurred.	
18/07/2008	Regal invoice 1345 Cleared away dead pigeons in communal electric cupboard	£232.02	This amount is excessive. The birds were not dead pigeons; they were live robin chicks and the contractor re-located them to a bucket up the tree next to the property. The electrical cupboard still has rubbish inside it. It states in the invoice that the place was left clean and tidy. This is not accepted as no surfaces have been washed down, no cleaning materials used and cobwebs are visible (see Exhibit D). The only cleaning that has taken place is that the staircase is swept down and the mail tidied up and the hallway swept (see further photographs at Exhibit D showing dirty communal area). A total figure of £40 would be appropriate in the circumstances.	Please see enclosed photographic evidence of the cupboard which was left clean and tidy. Therefore, the amount charged is reasonable. Exhibit FEL/F
31/10/2007	Regal invoice 1247 Cleared rubbish from outside area including 4 loads, 40 bags Asbestos and supplied 300 bags	£1014	This cost is excessive. Haringey council offer a rubbish removal service and would have removed the amount which was actually there for less than £400. Residents were given no explanation about where the asbestos has come from and what type of asbestos it was, given that there are a regulations governing the removal and disposal of asbestos. Mr Smith notified Feldgate in writing at the time that the majority of this rubbish had come from flat 88A. Feldgate did not fully investigate this matter	The Council only takes up to 6 items per load which has to be arranged as separate collections. Furthermore from the enclosure print out from the Council's website you will see that everything has to be in the front garden (which necessitates paying for someone's time to clear the back and bring it to the front). In addition, they restrict the kind of materials they agree to pick up. We did not find the asbestos inside the property this was together with all other rubbish so the cleaner had to separate it from the other rubbish. We have contacted the lessee from flat 88a but he said that cleared all of his rubbish and the rest is not from him. In the circumstances, we had no of

			to ensure that the leaseholder in question paid for the removal of this rubbish themselves.	reasonable method of quickly and safely removing this refuse. Therefore, the amount charged is reasonable. Exhibit FEL/G
27/08/2008	Regal invoice 1354 Repaired front door frame and replaced lock	£265	This amount is excessive particularly as it is possible to purchase a replacement Yale lock for £20 to £40 (see Exhibits G and J). A figure of less than £100 would be appropriate in the circumstances.	As you can see from the enclosed photos, it was not only changing a lock that was required; they had to change the whole door frame. Therefore, the amount charged is reasonable. Exhibit FEL/H
25/09/2008	Regal invoice 1369 Repaired and sealed gutter to side elevation of property and cleared debris	£130	This cost would be excessive and a figure in the region of £70 would be appropriate in the circumstances.	£130 to cover the cost of visit + a few hours work is reasonable.
25/09/2008	Regal invoice 1370 Replaced rear door padlock and enabled door to close	£145.06	This cost is excessive particularly as it is possible to purchase a large replacement padlock for under £10. A figure in the region of £80 would be appropriate in the circumstances.	Work was done to make sure the door is able to open and close freely, in addition to adding a pad lock. Therefore, the amount charged is reasonable.
18/12/2008	Regal invoice 1400 Cleaned attic by removing old insulation and debris Fully insulated the loft space area leaving the place	£848.27	This cost is excessive. It is stated on the invoice that the old insulation was removed when in fact there was no insulation in the attic at all. The attic was swept and cleared of debris and then the rolls of insulation were laid. The attic is small and a figure in the region of £300 would be appropriate in the circumstances.	There was in fact old insulation material and other debris which had to be cleared from the loft and removed from site. Laying of the insulation takes time, as you have to insure that it is properly laid between the joists. The charge is therefore reasonable. See enclosed photos Exhibit FEL/I
25/02/2009	Regal invoice 1418 Removed old lock, supplied and fitted new door lock to the front entrance. Repaired door frame and sealed doorway	£230	This is excessive for the work done. In addition, a similar job was carried out on 27/08/2008 at a cost of £265. A figure in the region of £100 would be appropriate in the circumstances.	Again, there was a lot of work involved, as the whole frame required repair. See enclosed photographs Exhibit FEL/J. Therefore the amount charge is reasonable.

07/04/2009	Regal invoice 1431 Removed broken ceiling to upper level hallway and cleared. Supplied and fitted plasterboards and decorated. Left clean and tidy.	£343	This cost is excessive. A small area of plaster over the stairs was stripped off after it became damp following a leak from the flat above. Full length plasterboards were not used and I believe that a piece of wood has been used and painted. A figure in the region of £80 would be appropriate in the circumstances.	See enclosed photo from the contractor, showing the work carried out. The amount charged is therefore reasonable. Exhibit FEL/K
07/04/2009	Regal invoice 1430 Repaired lock to main entrance doorway	£194.33	The cost is excessive just for the repair to a lock. A figure in the region of £40 would be appropriate in the circumstances.	This is a reasonable amount for a call out of a locksmith to repair it.
21/04/2009	Regal invoice 1434 Supplied and fitted new mailing box to communal hallway	£85	As of 12/06/09 this has not been carried out.	This has now been carried out. Exhibit FEL/L
11/11/2008	Regal invoice 1384 Cleaned communal passageway, staircase, garden and removed litter	£520	This cost is excessive as no cleaning has taken place inside the building apart from the staircase and hall being swept. The rubbish removed from the front and gardens was certainly not an amount that would justify such a large cost being incurred. A figure in the region of £50 would be appropriate in the circumstances.	From the enclosed photos you can see that the inside and outside as well as the garden was cleaned properly. Therefore the amount charged is reasonable. Exhibit FEL/M
28/02/2009	Crown Services invoice 1372 Fortnightly cleaning of communal areas from November 2008 to February 2008 at £184.17 pcm	£736.68	The cleaning is inadequate as show by photos. This cost is excessive the cleaning has not been taking place as regularly as suggested in the invoice and not to a reasonable standard. Cleaning services can be provided at hourly rates of between £7.50 and £15 in North London. Even if the cleaner had attended	See our reply under point 22.

			for 2 hours a fortnight (which is disputed) at 15 pounds per hour the cost would be much lower. A figure in the region of £120 in total would be appropriate in the circumstances.	
22/12/2008	Proforma invoice 1241481 Asbestos survey	£287.50	The leaseholders have not been provided with a copy of the report or informed of its findings.	Leaseholders are not entitled to withhold money just because they have not seen a copy of the report, especially when this was never requested from us before.
11/12/2007	Feldgate invoice Insurance questionnaire	£287.80	In the absence of full details of the questions and how much work was required it is not possible to determine whether this charge is fair and reasonable in the circumstances.	Again, Leaseholders are not entitled to withhold money just because they have not seen a copy of the report, especially when it was never requested from us before.

Please also note that one cannot assess whether charges for work carried out are reasonable, merely on the basis of the actual cost of the item replaced. There are always other factors which you need to take into account. Maintenance contractors have to keep records of all jobs carried out together with supporting photographing evidence to show the lessees if necessary, or as in this present case, the LVT.

#### Management Fees:

24. This is denied, as we have always carried out our duties professionally.

25.

- a. We have now written to all leaseholders requesting them to make sure they have a Deed of Covenant in place to comply with the lease. However, we would appreciate it if you could also make sure your clients are aware they are in breach of lease, and that they should now enter this Deed.
- b. & c. We are amazed that you can accuse us of being in breach of lease when in point of fact your clients, the lessees, are the one's to dump all this rubbish in the communal areas, which clearly puts them in breach of lease. However we have always arranged to clean the rubbish as soon as we have been made aware of it.

26.

- a. Paragraph 3 of Part 1 of the 6<sup>th</sup> Schedule requires the Landlord to make sure that the communal parts are reasonably lit. At the