# LEASEHOLD VALUATION TRIBUNAL EASTERN RENT ASSESSMENT PANEL

DECISION OF THE LEASEHOLD VALUATION TRIBUAL ON AN APPLICATION UNDER LANDLORD AND TENANT ACT 1985 (the Act) Section 20ZA

Ref:

CAM/22UQ/LDC/2006/0002

Property:

**Buckingham Court, The Close, Dunmow, Essex** 

CM6 1XE

Applicants:

(1) Peter Raymond Munns

(2) Joan Munns

Represented by:

Rayners, Managing Agents

Respondents:

(1) Buckingham Court Community (Great

**Dunmow) Limited** 

Represented by:

Ms Clarke (Flat 4)

(2) The Lessees of Flats at Buckingham

Close as listed in Appendix 1

Represented by:

N/A

Date of Determination:

28 July 2006

Tribunal:

Mr John Hewitt Mr Frank James Ms Cheryl St Clair Chairman FRICS MBE, BA

#### **Decision of the Tribunal**

#### Decision

The decision of the Tribunal is that the consultation requirements in respect of the Proposed Works, as defined in the schedule hereto, shall be dispensed with provided that by 4pm Friday 25 August 2006 the contract for the Proposed Works is placed with Chris Cowens on the basis of his tender referred to in the Tender Report of Benton Setterfield Partnership dated 4 July 2005 adjusted only for any modest increase in cost arising due to the passage of time since his tender was submitted.

2. If the contact with Chris Cowens cannot be entered into by 25<sup>th</sup> August 2006 or if any increase in the contract price is not broadly in line with the provisions of paragraph 16 below, any party may apply to re-instate the case provided that any such application is received by the Tribunal by 4pm Friday 25<sup>th</sup> August 2006 and that a copy of it is sent to all other parties at the same time that it is sent to the Tribunal.

#### Background

- 3. The Applicants are the landlord of a property known as Buckingham Court (the Building) a former Victorian workhouse which in or about the early 1980s was converted into 26 self-contained flats.
- 4. The First Respondent is a company formed by representatives of the lessees of flats within the Building and which represents the interests of the lessees. Evidently it is recognised by the Applicants. The remaining Respondents are the occupational lessees of the flats at the Building.
- 5. The flats are let on long leases substantially in common form which provide for the landlord to provide services and effect insurance and repairs and for the costs thereof to be shared amongst the lessees by way of service charges within the meaning of s18 of the Act.
- 6. The construction of the floor of flat 16 has failed and urgent works of repair (the Proposed Works) are required. The flat is uninhabitable and the lessee thereof has moved out into temporary rented accommodation.
- 7. In an application under s27A of the Act ref: CAM/22UQ/LSC/2005/0056 between the Applicants, the First Respondent and Mr Thevan Ratnam, the lessee of flat 16 (the First Application) a tribunal (comprising the same members as this Tribunal) decided, on 23 April 2006, after a full hearing that the Proposed Works were works of repair which fell within the landlord's repairing covenant and that the costs thereof fell to be shared amongst the lessees as service charges. The tribunal also decided, that the scope and methodology of carrying the Proposed Works was reasonable and that the anticipated cost was reasonable. To arrive at its decision the tribunal gave detailed consideration to the nature, scope and methodology of the Proposed Works and the competitive tenders obtained in respect of them. It is reported to the Tribunal that there has been further informal consultation with the First Respondent with regard to the Proposed Works.
- 8. The Proposed Works are qualifying works for the purposes of s20 of the Act.
- 9. The Applicants now wish to undertake the Proposed Works as a matter of urgency and have thus made an application under s20ZA of the Act to dispense with all of the consultation requirements of s20 of the Act and the regulations made thereunder in order not to delay the carrying out of the Proposed Works.

- 10. In view of the background and the need to commence the Proposed Works urgently the Tribunal notified the parties that it proposed to determine the application without a hearing in accordance with regulation 13 Leasehold Valuation Tribunals (Procedure) (Regulations) 2003 and directions were given on 24 June 2006. Notice was given to the parties that the Tribunal proposed to determine the application without a hearing on or after 28 July 2006 on the basis of any written representations submitted in compliance with the directions given. No Respondent has filed with the Tribunal any submissions or a statement of case in answer and no party has made a request to the Tribunal to be heard.
- 11. In the circumstances the Tribunal has determined the present application on the basis of the materials provided by the Applicant and the comprehensive papers submitted and referred to during the course of the hearing of the First Application.
- 12. S20ZA of the Act provides that a leasehold valuation tribunal may determine to dispense with all or any of the consultation requirements in relation to qualifying works if it satisfied that it is reasonable to dispense with the requirements.

#### Findings and Reasons

- 13. The Tribunal is satisfied that on the papers submitted to it in the First Application and the present application that the Proposed Works are required to be undertaken as a matter of urgency. The Tribunal is also satisfied that the scope of works and the methodology of carrying them out is reasonable. These matters were gone into in great detail during the course of the hearing of the First Application.
- 14. During the course of the hearing of the First Application evidence was given (and not challenged) about the competitive tender process undertaken by Benton Setterfield Partnership, a firm of Structural Engineers and Building Consultants and the Tender Report issued on 4 July 2005. The preferred contractor was Chris Cowens, a contractor who had, so we were told, been nominated by the lessees. We were thus satisfied that the tender process for the estimated costs of the Proposed Works was reasonable.
- 15. In the circumstances we are satisfied that it is reasonable to dispense with the consultation requirements in respect of the Proposed Works provided that the contract for those works is placed promptly with the preferred contractor and that purposeful progress is made with completion of those works. Hence we have decided that dispensation shall be conditional upon the contract being placed with Chris Cowens by 25 August 2006 at the latest.

- 16. The Tribunal is conscious of the fact that the Chris Cowens estimate for the Proposed Works was given 12 months or so ago. Inevitably prices may have increased marginally since then. We consider therefore that it is appropriate for the Applicants' representatives or advisers to negotiate with Chris Cowens to obtain a more up to date estimate. We direct that copies of any revised estimate shall be sent to the Respondents promptly and before the contract is placed. If any increase in the estimate is modest and broadly in line with the cost of building works index provided by The Building Cost Information Service of the RICS, we do not think it necessary for it to be referred back to the Tribunal, because such increase in cost will be a reasonable increase.
- 17. In the circumstances of this matter and bearing in mind the urgency we consider that it appropriate to decide that any party may make a written application if an issue arises in respect of the contract for the Proposed Works.

#### The Schedule

### **The Proposed Works**

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Repairs to the foundations of the building immediately beneath flat 16, broadly in accordance with the recommendations of Benton Setterfield Partnership dated March 2004.

## Appendix 1

Names and Addresses of the Lessees of Buckingham Court See attached list.

John Hewitt

Chairman

4 August 2006.

| MR. & MRS. N.S. PRICE       | FLAT I, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX            |
|-----------------------------|---|
| Mr. & Mrs. M.D. Graham.     | FLAT 2, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX            |
| Mr. C. Bennett.             | Flat 3 Buckingham Court, The Close, Great Dunmow, Essey             |
| MISS F. CLARKE              | FLAT 4, BUCKINGHAM COURT, THE CLOSE GREAT                           |
| Mr. J. Freestone,           | DONMOW, ESSEX CM6 TXE   |
| Miss G.E. Cotton,           | Flat 5, Buckingham Court,, The Close,, Great Dunmow,, Essex         |
| MR P.G. MORRIS              | riat o, Buckingham Court, The Close, Great Dunmow, Essay            |
|                             | FLAT 7, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX            |
| Mr. M.J.F. Stacey           | Flat 8 Buckingham Court,, The Close,, Great Dunmow,, Essex,         |
| Mr. G. S. Byrne,            | Flat 9 Buckingham Court, The Close, Great Dunmow, Essex,            |
| MISS C.J. MORRIS            | TEAL IV, BUCKINGHAM COURT THE CLOSE CREAT                           |
| MR. D. CORBY                | DUNMOW, ESSEX, FLAT 11, BUCKINGHAM COURT, THE CLOSE, GREAT          |
|                             | DUNMOW, ESSEX   |
| Mr. R.E. Plaster,           | 12 Buckingham Court, The Close, Great Dunmow, Essex,                |
| MS D. MARGOWSKI             | PLAT 14, BUCKINGHAM COURT THE CLOSE CDEAT                           |
| MR J.S. GMAJ & MISS P. KING | DUNMOW, ESSEX, FLAT 15, BUCKINGHAM COURT, THE CLOSE, GREAT          |
| MD TN Digning               | DONMOW, ESSEX   |
| MR. T.N. RATNAM,            | FLAT 16, BUCKINGHAM COURT, THE CLOSE GREAT                          |
| MR. N.D. CRAWFORD & MRS J.  | DUMMOW, ESSEX.  |
| CRAWFORD                    | FLAT 17, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX, CM6 1XE, |
| MR. J. LEONARD,             | FLAT 18 BICKINGHAM COURT TUR OF THE                                 |
| W GW .                      | FLAT 18, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX,          |
| Mrs C Morley                | Flat 19 Buckingham Court, The Close Great Dupmour Faces             |
| Mr. I.W. Reeve **           | Flat 20, Buckingham Court,, The Close,, Great Dunmow,, Essex,       |
| Miss N.J. Brazier,          | riat 21, Buckingnam Court, The Close Great Dunmon, Fasser           |
| MR. K. MCLEAN,              | CM6 1XE, FLAT 22, BUCKINGHAM COURT, THE CLOSE, GREAT                |
| 34.034                      | DOMINOW, ESSEX CIMBILITY  |
| Mr & Mrs Wingfield          | Flat 23, Buckingham Court, The Close, GREAT DUNMOW, Essex,          |
| MR K.R. CLARKE              | FLAT 24, BUCKINGHAM COURT THE CLOSE GREAT                           |
| Mr. R. M. Day, *            | DOMINOW, ESSEX.   |
| Mr. F.P. Johnson            | Flat 25, Buckingham Court., The Close,, Great Dunmow,, Essex.,      |
|                             | 1 lat 20, Duckingham Court. The Close Great Dupmon, Day             |
| MR M.J.P. WOOLRICH          | FLAT 27, BUCKINGHAM COURT, THE CLOSE, GREAT DUNMOW, ESSEX           |
|                             |   |