

**THE RESIDENTIAL PROPERTY TRIBUNAL SERVICE****DECISION OF THE LONDON LEASEHOLD VALUATION TRIBUNAL ON AN  
APPLICATION UNDER SECTION 24 OF THE LANDLORD AND TENANT ACT  
1987**

**Property:** Granville Square, Peckham, London SE 15 6DX

**Applicant:** Mr Peter McManus (leaseholder, Flat 49)

**Respondent:** Granville Square Management Company (freeholder)

**Date heard:** 24 May 2007

**Appearances:** Mr Peter McManus, the applicant

Mrs Jenny Bunting, Acorn Management Limited  
Mr Clive Baker BSc Hons MRICS IPFDip, The Fulker Consultancy Limited  
for the respondent  
Mr J Whittear (leaseholder and director of the landlord)  
Mr J Westwood (leaseholder)  
Mrs M Belsey (leaseholder)

**Members of the leasehold valuation tribunal:**

Lady Wilson  
Mr M A Mathews FRICS

**Date of the tribunal's decision:** 29 June 2007

## **Background**

1. Mr McManus holds a long lease of Flat 49, Granville Square, Peckham, a development of 72 flats. He applied to the tribunal in January 2006 for the appointment of a manager under section 24 of the Landlord and Tenant Act 1987 ("the Act") on the principal ground that the landlord, which is a tenant-owned company, had failed for a number of years to deal with the consequences of an infestation of rats in the non-demised parts of the block in which his flat is situated which had apparently damaged the flat and made it, Mr McManus considered, uninhabitable.
2. After a contested hearing the tribunal decided to appoint a manager, but to suspend the operation of his appointment as permitted by section 24(6) of the Act for a period of six months on the conditions set out in its order dated 7 June 2006 which were, essentially, that the landlord was to do its utmost to raise the funds required to do the necessary works and to put the works in hand as quickly as possible. By the order, the landlord was empowered to raise the funds from the leaseholders notwithstanding that the leases restricted the amounts which could be raised in advance for major works. The background to the order and the reasons for it are set out in the tribunal's decision dated 7 June 2006. As appears from that decision, the tribunal was satisfied with the general management of the block by Acorn Management Limited, the managing agent, but considered that, for a number of reasons (including the inadequacy of the leases), the works required to rectify the damage caused to Flat 49 by the rat infestation of parts of the block had not been attended to as quickly as they might have been. After a subsequent hearing the tribunal, by an order dated 5 August 2006, dispensed with the relevant consultation requirements for the necessary works under section 20ZA of the Landlord and Tenant Act 1985.
3. The funds required to place the contract were raised and Mr Clive Baker BSc Hons MRICS IPFDip of The Fulker Consultancy Limited was appointed as contract administrator. A contract was placed with Chasefield Construction Limited and the works were put in hand, supervised by Mr Baker. The works proceeded but Mr McManus became dissatisfied with their progress and standard and in January 2007 he decided to deny access to the builders. At the request of both parties an inspection of the property, followed by a hearing at the Tribunal

Office, took place on 9 February 2007 at which Mr McManus appeared with Mr Alan Piper RIBA, an architect, and Mrs Bunting of Acorn Management Limited, Mr Baker, and Mr Johncock of Chasefield Construction Limited, appeared and gave evidence.

4. Mr McManus gave evidence that he was concerned that the work was not being carried out to a satisfactory standard or in accordance with a specification of works prepared by Mr Stephen Boniface FRICS in 2005. The tribunal (which comprised two of the three members who had made the original order in June 2006, the third being unavailable), having heard the evidence, decided further to suspend the order until further order and in a written decision we expressed ourselves satisfied that the managing agents had used its best endeavours as the order had required, and, indeed, had done extremely well, to raise the necessary funds from the leaseholders in such a relatively short time. We were also satisfied from our inspection and from the evidence that Mr Baker appeared to be administering the contract competently and that the delay in completing the works were due to problems within Chasefield Construction Limited which could not have been foreseen by the landlord or the contract administrator. At the request of the parties we arranged a further hearing to be held in April 2007 by which time it was envisaged that the works would be substantially complete and the suspended order might be discharged.

5. At the further hearing, in fact held on 3 May 2007, Mr McManus, Mrs Bunting and Mr Baker again appeared. Unfortunately the works were not yet complete because of continuing problems within the contractor although they were nearing completion, and a meeting was arranged between Mr McManus and Mr Baker at which they would inspect the works together and agree between them what remained to be done. At Mr McManus's request a further hearing was arranged to take place after his meeting with Mr Baker.

6. At the further hearing on 24 May 2007 Mr McManus, Mrs Bunting and Mr Baker appeared, together with three leaseholders, one of them a director of the landlord.

7. Unfortunately, Mr McManus and Mr Baker had been unable at their meeting fully to agree what remained to be done or as to the standard of the works which had been completed, although they had reached some measure of agreement. Mr McManus's view was that the

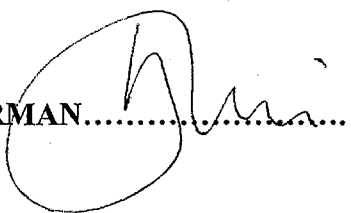
works were shoddy and inadequate, and he listed a number of aspects of the works to which he took exception. Mr Baker said that his professional opinion was that Flat 49 had been refurbished to a reasonable standard, that the work was practically complete and that the flat was now habitable.

8. Mr McManus invited the tribunal to inspect the flat again to decide for itself whether the works had been completed according to the specification and to a reasonable standard. He also invited us to lift the suspension of the management order and to appoint Mr Unsorfer, the manager whom he had originally proposed, to manage the whole development. Mrs Bunting and the other leaseholders present opposed such a course.

9. In the circumstances we attached no weight to the evidence informally given by the three other leaseholders present, Mr McManus having been given no notice that they would appear. However, we were quite satisfied from our knowledge of the case, derived from a number of hearings and two inspections, that Acorn Management Limited is managing the development very well in circumstances that are not easy, and that it has taken effective steps to resolve the intractable problems arising from the infestation of rats in the block in which Mr McManus's flat is situated. We are also satisfied that the landlord, through its agent, Acorn Management Limited, acted reasonably in appointing Mr Baker as contract administrator and that the proper performance of the works is his responsibility. The tribunal cannot, as we explained to Mr McManus, micromanage the contract or substitute itself as contract administrator. We therefore declined Mr McManus's request that we inspect the block once more in order to decide whether the works had been properly performed and what, if any, further works remained to be done.

10. We very much hope that, in everyone's interests, any outstanding problems can be amicably resolved between Mr McManus and the landlord, using the good offices of Mr Baker if he continues to be prepared to assume a role in discussing problems with Mr McManus. However, we are satisfied that we as a tribunal have done as much as we can to facilitate the carrying out of the works with reasonable expedition. We are, as we have said, satisfied that the block is being well managed and that no grounds exist to lift the suspension of the order, nor would it be just and convenient in all the circumstances to do so. On the

contrary, we are satisfied that the suspended order has substantially achieved its purpose and that it should be discharged from the date of this decision.

**CHAIRMAN**.....

**DATE: 29 June 2007**

