

SOUTHERN RENT ASSESSMENT PANEL  
LEASEHOLD VALUATION TRIBUNAL

Case No: CHI/24UE/LSC/2009/0008

Application under Section 27A of the Landlord and Tenant Act 1985

Re: Flats 1-11 & 12-36 (evens only) Celandine Avenue, Priory Park, Locks Heath

Applicant                      Priory Court (Locks Heath) No 2 Residents Co Ltd

Respondent                    P Henly – Flat 8

Date of Application                      31 December 2008

Date of Inspection                        6 May 2009

Date of Hearing                            none

Members of the Leasehold Valuation Tribunal:

M J Greenleaves

Lawyer Chairman

D Lintott FRICS

Valuer Member

Date of Tribunal's Decision:            12<sup>th</sup> June 2009

**Decision**

1. The Tribunal determines in accordance with the provisions of Section 27A of the Landlord and Tenant Act 1985 (the Act) that for the service charge year 1 April 2008 to 31 March 2009 the following are reasonable sums for budgeted items and payable in respect of Flats 1-11 and 12-36 (evens only) Celandine Avenue, Priory Park, Locks Heath (the premises):
  - a. Each item of service charge claimed as set out on Page 8 of the bundle of documents submitted, being the budget for the year ended 31 March 2009 is reasonable and payable save for Labyrinth Emergency Assistance.
  - b. The item for Labyrinth Emergency Assistance is not reasonably incurred and is not payable as service charge.

## Reasons

### **Introduction**

2. This was an application made by Labyrinth Properties Limited (Labyrinth), managing agents for the Landlord Priory Court (Locks Heath) No 2 Residents Co Ltd (the landlord) for determination by the Tribunal under Section 27A of the Landlord and Tenant Act 1985 of the reasonable sums payable in respect of service charges for the accounting year 2008/09

### **Inspection**

3. On 6 May 2009 the Tribunal inspected the premises in the presence of representatives of Labyrinth.
4. The premises form part of a larger development built in the 1980s. The premises comprise 4 blocks of 6 flats. Each block is constructed largely of brick under interlocking tiled roofs. Each property appears to be maintained in reasonable repair and condition for its age and character although the guttering of one block was in need of clearing of vegetation. Each flat has a parking space allocated to it and each block has a communal garden. The external parts appear to be kept in reasonable order.

### **Representations**

5. No lessees had applied to be joined as a Respondent and, prior to the inspection, no representations had been received from potential respondents. The only representations were received on behalf of the Landlord from Labyrinth and these had been augmented as a result of further request from the Tribunal.
6. No party had requested a hearing.

### **Consideration**

7. We considered all of the case papers, a copy of the emergency assistance policy referred to in the budget subsequently provided by Labyrinth and also took into account its inspection.
8. In the light of the documents provided and taking into account its inspection, using its own knowledge and experience we were satisfied that each of the service charge items set out on Page 8 of the bundle of documents were reasonable estimated sums for the work/services budgeted for, save for that relating to the Labyrinth Emergency Assistance.
9. We were provided with a copy of the policy taken out by the Applicant with Brevent Insurance Services Ltd. The period of cover is for the year ending 11 June, 2009 and the total premium is £876.80. The policy appears to provide 24-hour assistance for emergencies associated with plumbing and drainage, main heating system, domestic power supply, toilet unit, and security and lost keys. In principle it appears that the leases allow the applicant to take out such insurance. However, we noted particularly the exclusions in paragraph 3 under the heading "What is not covered by this policy" which we considered could very easily negate any potential value otherwise to be obtained from the policy. The

policy does, at best, do little more than duplicate the buildings insurance taken out under the landlord's insurance clause. The managing agent might just as easily give lessees a list of emergency services and we considered this particular policy, with all its exclusions, to be unnecessary and its cost not to be reasonably incurred.

10. The Tribunal made its decisions accordingly.



Chairman

A member of the Leasehold Valuation Tribunal  
appointed by the Lord Chancellor