



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **CAM/26UK/LVT/2014/0004**

Property : **100 and 103 Grandfield Avenue, Watford Herts, WD17 4XD**

Applicants : **Susan Louise Abrahams and Jonathan Charles Abrahams**

Representative : **Mr Justin Bates – Counsel
Mr S Ross – solicitor with Brightstone Law LLP
Mr J C Abrahams
Ms K A Tyler and Mr Alvisse both of Pembertons managing agents**

Respondent : **The leaseholders of 100 and 103 Grandfield Avenue as set out in the application**

Representative : **For the leaseholders of 103 Grandfield Avenue–
Mr I Murtagh accompanied by Mr Castro (Flat 2) and Mr and Mrs Wheeler (Flat 12)**

Type of Application : **Variation of leases (Part IV Landlord and Tenant Act 1987)**

Tribunal Members : **Tribunal Judge Dutton
Tribunal Judge Oxlade
Mrs H C Bowers MRICS**

Date and venue of Hearing : **28th January 2015 at the Watford Employment Tribunal, Radius House, 51, Clarendon Road, Watford**

Date of Decision : **12th February 2015**

DECISION

DECISION/ORDER

1. Pursuant to rule 35 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (the Rules) the Tribunal approves the Order as attached hereto, it considering the terms appropriate.
2. The application involving 100 Grandfield Avenue has been settled and is therefore considered in part withdrawn, save that the terms of agreement did not encompass the lessees of Flat 2, Mr J W P Biggerstaff and Mrs C B Biggerstaff and our findings in relation thereto are set out below (Paragraph 4).
3. The terms of the Consent Order did not include the lessees of Flat 4 and 5, 103 Grandfield Avenue, Mr Prasanna and Mr S K Chauhan respectively and our findings in relation thereto are set out below (Paragraph 4).
4. The Tribunal is satisfied, in so far as Mr and Mrs Biggerstaff, Mr Prasanna and Mr Chauhan (the Lessees) are concerned that the proposed wording for the variations of their respective leases, as set out in the application, is appropriate and Orders that such variations shall be on the same terms as paragraph 1 of the attached Consent Order, such Order to be registered at HM Land Registry in the absence of the Lessees executing and returning a Deed of Variation within 14 days of the date of this Order.
5. The Lessees shall, within 14 days of the date of this Order each pay to the Applicants, or their solicitors, the sum of £400 plus VAT and £40 HM Land Registry fee if the matter is concluded by way of registering this Order. If the Lessees execute and return the Deed of Variation within the 14 days stipulated the sum payable shall be reduced to £300 plus VAT and £40 Land Registry fee for those Lessees who comply.
6. The Tribunal declines to make any further cost orders including any order under the provisions of rule 13 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (the Rules).

BACKGROUND

1. This application was made by Susan Louise Abrahams and Jonathan Charles Abrahams, the freeholders of the blocks 100 and 103 Grandfield Avenue, Watford. The development at Grandfield Avenue comprises four blocks of residential flats containing a total of 45 units. They are numbered blocks 100, 101, 103 and 105. Block 101 exercised its rights to collective enfranchisement in 2002 and block 105 exercised the right to manage in 2012. Accordingly both blocks are now outside the present service charge regime. Indeed it was noted that block 100 is due to acquire the right to manage in February 2015 and block 103 such right in March 2015. Accordingly, by the end of March, it is anticipated that the current freeholders, the Applicants, will no longer have any part in the management of the development. This position has resulted in there being difficulties with regard to



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- 4. The Tribunal is satisfied, in so far as Mr and Mrs Biggerstaff, Mr Prasanna and Mr Chauhan (the Lessees) are concerned that the proposed wording for the variations of their respective leases, as set out in the application, is appropriate and Orders that such variations shall be on the same terms as paragraph 1 of the attached Consent Order, such Order to be registered at HM Land Registry in the absence of the Lessees executing and returning a Deed of Variation within 14 days of the date of this Order.**
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BACKGROUND

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the apportionment of service charges in that as at the date of the application, the Applicants were responsible for providing services to the two remaining blocks but were, strictly speaking, only able to recover 46% of the costs of so doing. As a matter of practicality it appears that the lessees of blocks 100 and 103 had accepted that the service charge obligation should be divided between them on an equal basis and accordingly it does not seem that in practical terms the freeholders have in fact suffered any shortfall. It is, however, right to note that at the time of the application there were a number of flats within the two blocks which were in arrears with regard to their service charge contributions.

2. Prior to the Hearing taking place, which was on 28th January 2015, we received a substantial bundle of documents which set out the application and the Respondents' submissions thereto for a number of flats in 100 Grandfield Avenue and also responses on an individual basis from a number of the leaseholders in 103 Grandfield Avenue. There were certain witness statements and a Response filed by the Applicants.
3. At the eleventh hour settlement was achieved with the majority leaseholders of 100 Grandfield Avenue save and except the leaseholders of Flat 2, Mr and Mrs Biggerstaff. This meant, therefore, that at commencement of the Hearing we were required to determine the variation application for block 103 and for Mr and Mrs Biggerstaff in block 100.
4. Our involvement was further reduced as a result of negotiations at the Hearing between the Applicant's representatives and Mr Murtagh, who represented all leaseholders at 103 Grandfield Avenue except Mr Prasanna of Flat 4 and Mr Chauhan of Flat 5. Terms were agreed as set out in the attached Consent Order which we are willing to approve. This therefore left us to consider only the position of Mr and Mrs Biggerstaff at Flat 2, 103 Grandfield Avenue and Mr Prasanna of Flat 4 and Mr Chauhan of Flat 5 103 Grandfield Avenue (together called the Lessees). None attended the Hearing. We should also record that we are not aware that there have been any submissions made by Mr Prasanna or Mr Chauhan in these proceedings. Mr and Mrs Biggerstaff were named as part of a group of lessees from 100 Grandfield Avenue being represented by Mr Lee Harle of Ringley Legal Services LLP and were included in the submissions that he made. We will return to that element in due course.

INSPECTION

5. Prior to the Hearing we inspected both blocks. At the inspection we were accompanied by Mr Alvisse of Pembertons the present managing agents. In respect of block 103 we were in the company of Mr Murtagh, the representative of a number of lessees, together with Mr Wheeler and Mr Castro. We began the inspection with 103 and it was pointed out to us that there appeared to be water ingress from the flat roof at the top level of the block, which had been a 'feature' for ten years or so. We noted also that the common parts' windows were in need of overhaul and at the ground floor the partition separating the entrance and the stairs was loose. A boundary wall fronting the main road had partially collapsed and there appeared to be some evidence of damp ingress at ground floor level by the side access door. We were told that the common parts lighting was defective

and that the front door had no closer system and therefore slammed shut. We were also directed to evidence of leaking gutters.

6. Insofar as 100 Grandfield Avenue was concerned, there appeared to be no water ingress problems, although the windows were also in a somewhat dilapidated state of repair.

HEARING

7. At the Hearing on 28th January Mr Bates represented the Applicants and Mr Murtagh represented the leaseholders of 103 Grandfield Avenue save and except Mr Prasanna and Mr Chauhan.
8. Mr Bates told us that although settlement had been agreed with the lessees of 100 Grandfield Avenue, the owners of Flat 2 (Mr and Mrs Biggerstaff) were not included in such settlement. Such settlement was an acceptance of the wording set out in the Application and at pages 19 and 20 of the hearing bundle. This wording has also been incorporated in the terms of the Consent Order for the majority of the lessees of block 103 as set out in Consent Order now attached. Mr Bates told us that in respect of block 100 there was no backdating of the Deeds of Variation as there were no arrears of service charges in that block.
9. He told us that insofar as block 103 was concerned, backdating was required for two reasons, firstly to make sure there could be no restitution reclaim, the limitation of which he told us would be six years from the date that they became aware of such claim and also to remove the possibility of any form of equitable set off that a lessee may have if they were pursued for arrears of service charges. The second reason was for the enforcement of the arrears of service charges on the basis that that which had been demanded was recoverable even though it may not have complied with the terms of the original lease. We were told, however, that the Applicants had neither an intention of issuing any new demands nor seeking additional money over and above that which was set out in the witness statement of Miss Taylor at page 270 of the bundle. It is appropriate to record at this stage that in fact the arrears had altered substantially by the time of the Hearing and an updated schedule was provided which did indeed confirm that there were no outstanding service charge arrears for the lessees of 100 Grandfield Avenue. There were, however, some substantial arrears in respect of a number of the lessees of 103 Grandfield Avenue, although it is right to note that neither Mr Prasanna or Mr Chauhan were in arrears.
10. Mr Murtagh confirmed that the leaseholders that he represented would agree the form of wording which was contained in the bundle and which had formed the agreement reached with the leaseholders of 100. The issue, however, he felt related to the costs of these proceedings and the backdating.
11. We were told by Mr Bates that the Applicant was paying the costs of the Deed for those lessees in 100 Grandfield Avenue, which was at a rate of £500, but was not paying for the costs of registration. He told us that there was authority for the Tribunal to award a contribution to costs in respect of these matters and that he would also be asking for costs to be ordered against the lessees of 103 because of

the raising of unnecessary issues which in his view gave rise the possibility of costs under rule 13 of the Rules.

12. The matter was then adjourned to give the parties the chance to see if there was common ground and to reach some form of agreement. Prior to the adjournment it was confirmed that the arrears ran from 2007.
13. After this adjournment we are pleased to say that the Consent Order attached was produced.
14. It did, however, leave us having to make a determination as to the position of the Lessees.
15. In respect of any costs it was Mr Bates' submission that the leaseholders of these three flats should be required to pay the solicitors' costs of preparing and registering the Order, although perhaps as an inducement if they were willing to enter into the Deed of Variation in the same format to be entered into by the other leaseholders then the costs could be slightly reduced.
16. In respect of costs under Rule 13, this he said would only be sought from the leaseholders of Flats 4 and 5, 103 Grandfield Avenue as there had been no engagement by them and costs had been incurred in putting together the documentation to bring before the Tribunal, which he thought were in the region of £16,000. His view, however, was that the leaseholders of Flats 4 and 5 should make a contribution of 1/21 of those costs. Their absence in the proceedings in his mind constituted conduct which was unreasonable.
17. Insofar as Mr and Mrs Biggerstaff are concerned, their case has been argued for them by Mr Harle of Ringley Legal Services in submissions dated 31st October 2014. These submissions we have noted. He confirmed that the leaseholders of 100 Grandfield Avenue had now asked for the right to acquire the management of their block and as indicated above this was due to take place in the near future. He said that the freeholders had not lost as a result of the enfranchisement and right to manage of the other two blocks as the agents were recovering 100% of the costs incurred in blocks 100 and 103. It is accepted that the clauses as contained in the original leases allow the recovery of one 45th of the value expended, but that the leaseholder were not being charged on that basis. The Applicants had relied on the case of Brickfield Properties Limited vs Botten [2013]UKUT133 where the question of backdating had been addressed. Mr Harle sought to distinguish that case from the present circumstances. Insofar as the proposed variations themselves were concerned, by and large those were considered to be reasonable although with some tweaking. The statement also addressed the question of costs.
18. Neither Mr Prasanna nor Mr Chauhan had filed any submissions with the Tribunal and therefore it was wholly unclear as to whether or not they opposed the application. Insofar as Mr and Mrs Biggerstaff were concerned, it is not clear whether they were away on holiday but they did not attend the Hearing and made no further submissions as to the appropriateness or otherwise of the variation sought by the Applicants.

The Law

The law relevant to this matter is set out at the end of this decision and has been applied by us in our findings.

Findings

19. It is quite clear that following the enfranchisement and right to manage of two of the blocks this has caused difficulties in respect of the liability of the remaining lessees under the terms of the existing leases. To that extent, therefore, we find that the provisions of Section 35(2)(f) have been made out. Although the lessees have, it seems, been billed on the basis that the costs should be divided into 21 equal parts, if there is litigation then there could be issues with regard to the recoverability and as indicated by Mr Bates, the possibility of some form of restitution claim on the basis that the leaseholders had been paying 1/21st as against the sums strictly payable under the terms of the leases. There are substantial arrears owed by some leaseholders and it may well be that the Applicants will wish to seek to recover some of those monies, the more so as we understand a good proportion of the arrears relates to the payment of insurance for the block.
20. Another issue related to the managing agents' charging rates, which are wholly unworkable. If the rateable value calculation continues it seems that the sum the managing agents could recover is nominal and no managing agent is, in truth, going to undertake those services for such a payment. It seems, therefore, that the provisions for maintenance of services as covered by 35(2)(d) would also give rise to the proposed changes in respect of the calculation of the managing agents' fees.
21. The two other matters that also came within the proposed variation was the creation of a reserve fund and the alteration in the sums to be paid on account of service charges to be incurred.
22. The difficulty in considering these aspects is that one needs to try and place them within the provisions of Section 35, which is the basis upon which this application has been made to the Tribunal. We do, however, bear in mind our jurisdiction under Section 38 and the need for there to be a system which is both workable and appropriate. We acknowledge that both blocks 100 and 103 are shortly to be acquiring the right to manage, which will place the management in the hands of the lessees. We have no doubt that the creation of a reserve fund and the ability to recover reasonable sums on account of the annual service charge will enable the maintenance of the blocks to take place in a more timely and efficient manner. Indeed Mr Murtagh readily accepted that these changes were for the benefit of the leaseholders in the light of the proposed Right to Manage. Accordingly we find that the provisions of Section 35(2)(d) would cover the inclusion of a reserve fund and the amendment to the on account payment. Further, in being presented with terms of settlement for all but one flat in block 100 and a Consent Order for all but two flats in block 103, to accept the variation of the leases for block 100 and for the bulk of block 103 without the remaining three leases held by the Lessees being likewise amended, would create certain difficulties going forward. If this had been an application under Section 37 of the Act, it seems to us that the appropriate requirements of Section 37(5) would be made out and the amendments approved.

23. In those circumstances, therefore, we find that the terms agreed by the leaseholders in block 100 will apply to Mr and Mrs Biggerstaff as if they had been a party to that agreement. Insofar as the flats in block 103 are concerned, we find that the lessees of Flats 4 and 5 who have given no indication of opposition to the proposal of variation, shall be bound by the variation of their leases in the form annexed to the Consent Order attached hereto.
24. It is unfortunate that the leaseholders of 103 Grandfield Avenue were not able to achieve an earlier settlement with the Applicants, thus resulting in the attendance before the Tribunal on 28th January. We think in those circumstances as has been agreed by their fellow leaseholders, the lessees of Flats 4 and 5 should also make a contribution towards the costs of the Applicant. We order, therefore, that both Mr Prasanna and Mr Chauhan should pay the sum of £400 plus VAT and Land Registry fees of £40 to the Applicant's solicitors to go towards the costs of completing the documentation to register our Order at the Land Registry. If, in the alternative, Mr Prasanna and Mr Chauhan execute and return the Deed of Variation in the same format as has been presented or will be presented to their co-leaseholders, then the sum payable by them can be reduced by £100 plus VAT to £300 plus VAT and the Land Registry fee of £40. This is of course payable by them both.
25. As far as the application for costs under the provisions of rule 13 is concerned we do not believe that any leaseholder has acted 'unreasonably' in defending these proceedings. In fact they have not participated. Accordingly they can hardly be said to have added to the costs, which the Applicants would inevitably incurred in seeking, by their application, to vary the leases. We take the view that the same standard as applied under the Commonhold and Leasehold Reform Act 2002 also applies when considering costs under these new rules. In our finding the change brought about by the rules is to remove the limit on the costs that can be awarded. We do not consider that it has somehow converted proceedings such as this into a 'costs follow the event' scenario. The unreasonableness has a high threshold, which we find has not been reached and accordingly we decline to make any order for costs against the leaseholders of flats 4 and 5 103 Grandfield Court.
26. We are satisfied that the variations will make the management of these blocks much easier for the Right to Manage Directors and will hopefully create a consistency of management, which it is alleged has been missing to date.

Judge: *Andrew Dutton*

Andrew Dutton

Date: 23 February 2015

The relevant Law

PART IV VARIATION OF LEASES

Applications relating to flats

S35 Application by party to lease for variation of lease.

- (1) Any party to a long lease of a flat may make an application to a leasehold valuation tribunal for an order varying the lease in such manner as is specified in the application.
- (2) The grounds on which any such application may be made are that the lease fails to make satisfactory provision with respect to one or more of the following matters, namely—
 - (a) the repair or maintenance of—
 - (i) the flat in question, or
 - (ii) the building containing the flat, or
 - (iii) any land or building which is let to the tenant under the lease or in respect of which rights are conferred on him under it;
 - (b) the insurance of the building containing the flat or of any such land or building as is mentioned in paragraph (a)(iii);
 - (c) the repair or maintenance of any installations (whether they are in the same building as the flat or not) which are reasonably necessary to ensure that occupiers of the flat enjoy a reasonable standard of accommodation;
 - (d) the provision or maintenance of any services which are reasonably necessary to ensure that occupiers of the flat enjoy a reasonable standard of accommodation (whether they are services connected with any such installations or not, and whether they are services provided for the benefit of those occupiers or services provided for the benefit of the occupiers of a number of flats including that flat);
 - (e) the recovery by one party to the lease from another party to it of expenditure incurred or to be incurred by him, or on his behalf, for the benefit of that other party or of a number of persons who include that other party;
 - (f) the computation of a service charge payable under the lease;
 - (g) such other matters as may be prescribed by regulations made by the Secretary of State.
- (3) For the purposes of subsection (2)(c) and (d) the factors for determining, in relation to the occupiers of a flat, what is a reasonable standard of accommodation may include—
 - (a) factors relating to the safety and security of the flat and its occupiers and of any common parts of the building containing the flat; and
 - (b) other factors relating to the condition of any such common parts.
- (3A) For the purposes of subsection (2)(e) the factors for determining, in relation to a service charge payable under a lease, whether the lease makes satisfactory provision include whether it makes provision for an amount to be payable (by way of interest or otherwise) in respect of a failure to pay the service charge by the due date.
- (4) For the purposes of subsection (2)(f) a lease fails to make satisfactory provision with respect to the computation of a service charge payable under it if—
 - (a) it provides for any such charge to be a proportion of expenditure incurred, or to be incurred, by or on behalf of the landlord or a superior landlord; and
 - (b) other tenants of the landlord are also liable under their leases to pay by way of service charges proportions of any such expenditure; and
 - (c) the aggregate of the amounts that would, in any particular case, be payable by reference to the proportions referred to in paragraphs (a) and (b) would either exceed or be less than the whole of any such expenditure.
- (5) Procedure regulations under Schedule 12 to the Commonhold and Leasehold Reform Act 2002 shall make provision—
 - (a) for requiring notice of any application under this Part to be served by the person making the application, and by any respondent to the application, on any person who the applicant, or (as the case may be) the respondent, knows or has reason to believe is likely to be affected by any variation specified in the application, and
 - (b) for enabling persons served with any such notice to be joined as parties to the proceedings.
- (6) For the purposes of this Part a long lease shall not be regarded as a long lease of a flat if—

- (a) the demised premises consist of or include three or more flats contained in the same building; or
 - (b) the lease constitutes a tenancy to which Part II of the Landlord and Tenant Act 1954 applies.
- (8) In this section "service charge" has the meaning given by section 18(1) of the 1985 Act

S37 Application by majority of parties for variation of leases.

- (1) Subject to the following provisions of this section, an application may be made to a leasehold valuation tribunal in respect of two or more leases for an order varying each of those leases in such manner as is specified in the application.
- (2) Those leases must be long leases of flats under which the landlord is the same person, but they need not be leases of flats which are in the same building, nor leases which are drafted in identical terms.
- (3) The grounds on which an application may be made under this section are that the object to be achieved by the variation cannot be satisfactorily achieved unless all the leases are varied to the same effect.
- (4) An application under this section in respect of any leases may be made by the landlord or any of the tenants under the leases.
- (5) Any such application shall only be made if—
 - (a) in a case where the application is in respect of less than nine leases, all, or all but one, of the parties concerned consent to it; or
 - (b) in a case where the application is in respect of more than eight leases, it is not opposed for any reason by more than 10 per cent. of the total number of the parties concerned and at least 75 per cent. of that number consent to it.
- (6) For the purposes of subsection (5)—
 - (a) in the case of each lease in respect of which the application is made, the tenant under the lease shall constitute one of the parties concerned (so that in determining the total number of the parties concerned a person who is the tenant under a number of such leases shall be regarded as constituting a corresponding number of the parties concerned); and
 - (b) the landlord shall also constitute one of the parties concerned.

Orders varying leases

S38 Orders varying leases.

- (1) If, on an application under section 35, the grounds on which the application was made are established to the satisfaction of the tribunal, the tribunal may (subject to subsections (6) and (7)) make an order varying the lease specified in the application in such manner as is specified in the order.
- (2) If—
 - (a) an application under section 36 was made in connection with that application, and
 - (b) the grounds set out in subsection (3) of that section are established to the satisfaction of the tribunal with respect to the leases specified in the application under section 36,
 the tribunal may (subject to subsections (6) and (7)) also make an order varying each of those leases in such manner as is specified in the order.
- (3) If, on an application under section 37, the grounds set out in subsection (3) of that section are established to the satisfaction of the tribunal with respect to the leases specified in the application, the tribunal may (subject to subsections (6) and (7)) make an order varying each of those leases in such manner as is specified in the order.
- (4) The variation specified in an order under subsection (1) or (2) may be either the variation specified in the relevant application under section 35 or 36 or such other variation as the tribunal thinks fit.
- (5) If the grounds referred to in subsection (2) or (3) (as the case may be) are established to the satisfaction of the tribunal with respect to some but not all of the leases specified in the application, the power to make an order under that subsection shall extend to those leases only.
- (6) A tribunal shall not make an order under this section effecting any variation of a lease if it appears to the tribunal—
 - (a) that the variation would be likely substantially to prejudice—
 - (i) any respondent to the application, or
 - (ii) any person who is not a party to the application,

- and that an award under subsection (10) would not afford him adequate compensation, or
- (b) that for any other reason it would not be reasonable in the circumstances for the variation to be effected.
- (7) A tribunal shall not, on an application relating to the provision to be made by a lease with respect to insurance, make an order under this section effecting any variation of the lease—
- (a) which terminates any existing right of the landlord under its terms to nominate an insurer for insurance purposes; or
 - (b) which requires the landlord to nominate a number of insurers from which the tenant would be entitled to select an insurer for those purposes; or
 - (c) which, in a case where the lease requires the tenant to effect insurance with a specified insurer, requires the tenant to effect insurance otherwise than with another specified insurer.
- (8) A tribunal may, instead of making an order varying a lease in such manner as is specified in the order, make an order directing the parties to the lease to vary it in such manner as is so specified; and accordingly any reference in this Part (however expressed) to an order which effects any variation of a lease or to any variation effected by an order shall include a reference to an order which directs the parties to a lease to effect a variation of it or (as the case may be) a reference to any variation effected in pursuance of such an order.
- (9) A tribunal may by order direct that a memorandum of any variation of a lease effected by an order under this section shall be endorsed on such documents as are specified in the order.
- (10) Where a tribunal makes an order under this section varying a lease the tribunal may, if it thinks fit, make an order providing for any party to the lease to pay, to any other party to the lease or to any other person, compensation in respect of any loss or disadvantage that the court considers he is likely to suffer as a result of the variation

IN THE FIRST REER TRIENNAL

CAM/2014/2014
2014

BETWEEN:

- (1) SUSAN LOUISE FARRAHMS
- (2) JONATHAN CHARLES FARRAHMS

Applicants

AND

VARIOUS LEASEHOLDERS AT

100 AND 103 GRANTFIELD AVENUE

WATFORD, WID17 4XD

Respondents

CONSENT ORDER

D The applicants and the leaseholders of Flats 1, 2, 3, 6, 7, 8, 9, 10, 11, 12, Grantfield Avenue agree that their leases are to be varied in accordance with the variations attached, to take effect from 1 January 2007

2) The solicitor applicants will prepare a deed to give effect to paragraph 1 and send the same to the leaseholders in paragraph 1 within 14 days

3) The leaseholders will return the deed to the solicitor within 14 days

Signed and executed copy of the deed
within a further 14 days. Upon receipt
of the same, the applicant will register the
same at the land registry

4) The leaseholders will ^{each} pay a contribution to the
costs of preparing and registering the deed in
the sum of £300 plus VAT and a
further £60 in respect of the Land Registry
fees. Such sum to be paid with
the signed and executed deed referred to
above.

5) The leaseholders agree that they will not
bring any claim for breach of covenant
against the applicants for any matter known
or reasonably discoverable to date.

6) The leaseholders of ^{the} Flats identified in Paragraph 1
will pay 50% of their arrears as
set out in the attached schedule within
28 days. Such sums to be paid to the
applicants. For the avoidance of doubt, there may
be further balancing charge ^{ahead} of the RTM

~~7)~~ acquisition date on March 7, 2015. But otherwise
such payments are in full and final settlement of service charge arrears
to date.

7) The applicants agree not to seek to recover
the costs of these proceedings against the
leaseholders identified in paragraph 1.

aid of CASTRO

28.1.15 Flat 2

28.1.15 Flat #2

R. H. Wheeler

W. L. BLYDEN, MBE

28.01.15 Flat 12 #103

I. MURTAGH

28.1.15 FLAT #3

For and on behalf of Mr. A. Rens.

I, IAN MURTAGH Herby warrant and represent that I am entitled and empowered to sign this agreement of behalf of the leaseholders of Flats, 1, 6, 7, 8, 9, 10, 11 so as to bind them to this agreement

I. MURTAGH

28.1.15

Jonathan Abraham, in his personal capacity and on behalf of Eison Abraham

Dated 28.1.15

JONATHAN C. ABRAHAM.

Proposed Lease Variations

Variation 1

Clause 3(i) will now read:-

"The Lessee shall pay to the Lessor or the Managing Agent, on demand a fair and reasonable proportion of all the moneys expended by the Lessor or the Managing Agent for carrying out the things hereinafter referred to as "Maintenance Purposes" specified in the Second Schedule hereto (to be determined conclusively by the Lessor, save for as to questions of law), including but not limited to, the obligation to set up and maintain a reserve fund".

Leases to be varied

100 Grandfield Avenue – Flats 1,2,3,5,6,7 and 9

103 Grandfield Avenue – Flats 1,3,4,5,7,8,9,10,11 and 12

Variation 2

There will be a new clause inserted into the leases as follows:-

"The Lessor will itself or procure that the Managing Agent sets up and maintains a reserve fund, putting aside such sum as shall reasonably be considered necessary by the Lessor (whose decision shall be final save as to questions of fact) to provide reserves or sinking funds for items of future expenditure to be or expected to be incurred at any time in connection with dealing with the matters as set out in the Second Schedule."

Leases to be varied

100 Grandfield Avenue – Flats 1,2,3,4,5,6,7,8 and 9

103 Grandfield Avenue – Flats 1,2,3,4,5,6,7,8,9,10,11 and 12

Variation 3

Clause 3(ii) will now read:-

"The Lessee hereby covenants to pay to the Lessor or the Managing Agent as the Lessor may direct from time to time such reasonable sum as shall be required by the Lessor being the estimates on account of the maintenance contribution required by clause 3(i) hereof such a payment to be made in advance by two equal instalments on the 30th June and 31st December in every year."

Leases to be varied

100 Grandfield Avenue – Flats 1,2,3,5,6,7 and 9

103 Grandfield Avenue – Flats 1,3,4,5,6,7,8,9,10,11 and 12

Variation 4

Clause 3(iii) will now read:-

“As soon as practicable after each half yearly date (or at the discretion of the Lessor yearly after 31st December) the Lessor shall serve on the Lessee a duly certified notice in writing stating the actual amount expended on such maintenance for the preceding half year (or year as the case may be) and the Lessee shall forthwith pay or be entitled to receive from the Lessor the balance by which the amount payable under clause 3(1) hereof exceeds or falls short of the amount payable under clause 3(ii) hereof.”

Leases to be varied

100 Grandfield Avenue – Flats 1,2,3,5,6,7 and 9

103 Grandfield Avenue – Flats 1,3,4,5,7,8,9,10,11 and 12

Variation 5

In Clause 3(iv) the words “(except as to remuneration of the Managing Agent which shall be fixed by the Lessor but shall not exceed five per cent of the Rateable Value of the Building)” shall be deleted.

100 Grandfield Avenue – Flats 1,2,3,5,6,7,8 and 9

103 Grandfield Avenue – Flats 1,2,3,4,5,7,8,9,10,11 and 12

Name	Address	Balance
Mr M R & Mrs C F Varley	Flat 1 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Mr J W P Biggerstaff and Mrs C B Biggerstaff	Flat 2 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Mr Spetch	Flat 3 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Samir Harvilas Desai & Reshmaben Sami Desai	Flat 4 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Ms L Nielsen	Flat 5 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Ms Golfinopoulos	Flat 6 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Mr & Mrs Peterman	Flat 7 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Ms Jaqueline Walters	Flat 8 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Mr Andrew Harding & Mrs Carole S Harding	Flat 9 100 Grandfield Avenue, Watford, Herts, WD17 4YW	0.00
Mr J B Goalby	Flat 1 103 Grandfield Avenue, Watford, Herts, WD17 4XD	1,579.00
Mr Castro	Flat 2 103 Grandfield Avenue, Watford, Herts, WD17 4XD	5,393.51
Mr A J Reed	Flat 3 103 Grandfield Avenue, Watford, Herts, WD17 4XD	6,645.64
Mr Prasanna	Flat 4 103 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mr S K Chauhan	Flat 5 103 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mrs R O Oni	Flat 6 103 Grandfield Avenue, Watford, Herts, WD17 4XD	1,429.00
Ms A Nilsson	Flat 7 103 Grandfield Avenue, Watford, Herts, WD17 4XD	4.36
Mr J F Lennarddo	Flat 8 103 Grandfield Avenue, Watford, Herts, WD17 4XD	927.64
Mr & Mrs J L Simmons	Flat 9 103 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mr Maher	Flat 10 103 Grandfield Avenue, Watford, Herts, WD17 4XD	26.38
Mr Doshi	Flat 11 103 Grandfield Avenue, Watford, Herts, WD17 4XD	90.00
Mr K H Wheeler	Flat 12 103 Grandfield Avenue, Watford, Herts, WD17 4XD	4,124.11
Ms W U N F Bhatti	Flat 1 105 Grandfield Avenue, Watford, Herts, WD17 4XD	1,583.45
Mrs P Greville	Flat 2 105 Grandfield Avenue, Watford, Herts, WD17 4XD	6.26
Mr Sneddon	Flat 3 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mr S Byrne	Flat 4 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Ms S R Mustafa	Flat 5 105 Grandfield Avenue, Watford, Herts, WD17 4XD	285.07
Mr Stephen Phipps	Flat 6 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Dr F O Rahim	Flat 7 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Miss Maiden	Flat 8 105 Grandfield Avenue, Watford, Herts, WD17 4XD	6.26
Mr Burnett	Flat 9 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mr T R Bryan	Flat 10 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mrs P Patel	Flat 11 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Mr Sirett	Flat 12 105 Grandfield Avenue, Watford, Herts, WD17 4XD	0.00
Abrahams	Voteglen Limited, 5 Greenacres Drive, Stanmore, Middlesex, HA	0.00
		22,100.68