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REF LON 00AE/LAC/2010/0023/

IN THE LEASEHOLD VALUATION TRIBUNAL

IN THE-MATTER OF THE LANDLORD AND TENANT ACT 1985 SECTION  
27A and S20C

Address 12 Brewery Close Harrow Road Wembley  
HA0 2XA

Applicant Ms Elzbieta Nowicka

Respondent Sinclair Gardens Investments (Kensington)  
Limited

The Tribunal  
Mr P Leighton LLB (Hons)  
Mr P J Casey MRICS

Date of Decision 5<sup>th</sup> October 2010

## Introduction

- 1 By an application dated 6 August 2010 the Applicant applied to the tribunal for a determination as to the payability of an administration charge in accordance with Schedule 11 of the Commonhold and Leasehold Reform Act 2002 in respect of the property known as 12 Brewery Close Wembley HA0 2XA ("the property")
- 2 Directions were given for the conduct of the application on 13<sup>th</sup> August 2010 and that the application was allocated to the paper track. The matter came before the Tribunal for determination on 5<sup>th</sup> October 2010
- 3 The application relates to a claim by the landlord for an administration charge for the granting of consent to various improvements at the property which the leaseholder proposes to carry out

## The facts

- 4 In the summer of 2009 the applicant proposed to carry out various works of improvement to the property and wrote to the freeholder's agents Hurst Managements seeking the permission of the landlord to carry out the works in accordance with the terms of the lease
- 5 Clause 2(4) of the Applicant's lease provides as follows: --  
*"(4) not to make any structural alterations or structural additions to the demised premises or the internal arrangements thereof or remove any of the landlord's fixtures without the previous consent in writing of the lessor all such consent not to be unreasonably withheld."*
- 6 The works which the Applicant proposed to undertake included the installation of an extractor hood and ducting for ventilation purposes and the installation of double glazed windows to the property
- 7 On 22<sup>nd</sup> June 2009 the agents wrote back indicating that consent could be given subject to various conditions and that plans should be submitted. They also requested payment of the sum of £220 to meet the landlord's costs of dealing with the application for consent.

- 8 The Applicant has refused to pay this sum and contends that it is an administration charge which is not authorised under the lease and therefore not payable

### The Law

- 9 Administration charges are defined in paragraph 1 (1) of Schedule 11 of the 2002 Act as *an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable directly or indirectly --*  
*(a) in connection with the grant of approvals under his lease or applications for such approvals.....*
- 10 Paragraph 1 (3) of the Schedule provides that in this part of the schedule  
A variable administration charge means an administration charge payable by a tenant which is neither  
*(a) specified in his lease nor (b) calculated in accordance with a formula specified in the lease*
- 11 Paragraph 2 of the Schedule provides that a variable administration charge is payable only to the extent that the amount of the charge is reasonable and paragraph 3 enables a tenant to apply to the tribunal for a variation of the lease in such cases as specified in the application on the grounds that  
*(a) any administration charge specified in the lease is unreasonable or (b) any formula specified in the lease in accordance with which any administration charge is calculated is unreasonable*  
If the Tribunal is satisfied as to the grounds then it may make any order which it considers appropriate for the variation of the lease.
- 12 There are also provisions with regard to the giving of a notice in the appropriate form before an administration charge is recoverable. which need not be considered in this decision

### The Tribunal's Determination

- 12 The Tribunal is satisfied that the the adminstration charge in this case is recoverable even though it is not specified in the lease.. It is an implied condition by virtue of Section 19(2) of the 1927 Act that where consent to an improvement is sought by a tenant it is reasonable for the landlord to demand the costs of dealing with this application
- 13 As the figure is not specified in the lease it is a variable administration charge and must be reasonable .
- 14 The Tribunal has considered the witness statement of Mr Kelly in which he sets out the process which is undertaken when an application for consent is made and has indicated the time involved and the amounts charged.
- 15 The Tribunal is of the opinion that the figure of £220 is not unreasonable having regard to the work which has to b e undertaken and accordingly determines that this administration charge is reasonable. To be payable however it must be lawfully demanded in accordance with the provisions of the Act . If the Applicant refuses to pay it then the landlord may well be justified in refusing consent to the improvements although that matter would be determined by the county court and not the Tribunal

Chairman

Peter Leighton

Date

5<sup>th</sup> October 2010

