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| CENTURY HOUSE RESIDENTS' ASSOCIATION |
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Mr. John Midgley  
Comptons  
90 – 92 Park Way  
London NW1 7AN.

24 Century House  
245 Streatham High Road  
London SW16 6ER.

Your ref.: JAM.VR.4004.1  
Our ref.: CHRA0583

2 January 2002

Dear Mr. Midgley,

**Century House, SW16 – request for advice on LVT management application**

We saw you in November 1999 when you gave us advice on our situation.

We would now like to apply to Leasehold Valuation Tribunal for a management order. We want to be sure of getting this right. Can you advise on what we should do? The basis - as we see it - for an application is outlined on the attached page.

We feel it is necessary for management control to be removed from the freeholder in order that the carrying out of building works can be expedited and to ensure that future management is competent and in the interests of the leaseholders.

To assist the application, we had in mind – as you advised us previously – to commission a survey of the block to assess neglect. We'd like it also to be possible for such a survey to form the basis of a negligence claim against the reasonableness of any building works charge. We will want to be represented by solicitors at any LVT hearing. We think it would be appropriate for a participation agreement to be drawn up for leaseholders in support of the action.

But we are looking to you to tell us precisely what will be needed. Can you also tell us what it will cost and what the timescales will be? Would you be willing to let us speak, for a reference, to a client for whom you have acted in a similar application?

We should explain that Longmint now own the freehold directly rather than through their wholly owned subsidiary, Smithgold. Longmint Management, who trade as Cambridge Property Services, remain as managing agents. Last we knew, individuals who owned Longmint also owned Longmint Management.

It is likely that we will also want to challenge the reasonableness of service charges, though we don't wish to receive advice on that – at least not yet – unless you advise that we need to apply to the LVT for a determination before or at the same time as we apply for management.

Perhaps we could have a meeting to discuss this further?

Yours sincerely,

Angus French, Secretary, CHRA.

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### Basis for a management application

1. Century House has not been kept in repair and is becoming dilapidated. The roof and walls are deteriorating, many windows are cracked or broken, carpets in communal areas are ripped and hazardous to walk over. Some flats are badly affected by damp and some have window problems. There have been various specifications and tenders for major works, the first more than 10 years ago, but we have always found reason to object to them and no work has been done. Each new tender process brings an increase in the projected cost of works (two-and-a-half years ago the cost was more than £250,000 including fees and VAT) – the agents say they have received advice that the freeholder is not responsible for any increase in cost as the result of the negligence of previous owners.
2. We have two mobile telecom base stations located at our block, the second of which has been inactive since its installation two years ago. We were not consulted about the installations, indeed in response to a complaint about the original station we were informed that there would be a second. Their presence gives rise to concern about health ill-effects (and in the case of the second station was the cause of immense distress for one resident). They devalue our flats. There is no contribution on behalf of the telecom companies to our service charge (in particular, why shouldn't there be a contribution to the building works, a major part of which is a re-roof – if there were no roof there would be no base stations?).
3. There has been an absence of general management. For example, broken windows were not repaired for years. Repairs are still awaited after a fire in June 1999 which would not have happened had dumped rubbish been removed as requested. As far as we are aware, no action has been taken on an apparent lack of lift maintenance. Most letters to the agents have not been responded to. It seems management was completely lacking for about 18 months until September 2001. It wasn't until October 2001 that we received accounts for the years ended June 2000 and June 2001 (which included increased charges for management!).
4. We are concerned that legal advice received by the Association on three issues is at variance to that which the agents say they have received but which they have not evidenced. The issues are: the need (or not) for the freeholder to provide notification of the appointment of new managers; the inheritance (or not) of liability from freeholder to the next; the right (or not) of telecom companies to compel siting of their base stations.
5. Some leaseholders have been bullied into making payments for charges in dispute. Without warning, a solicitor acting for the freeholder wrote to mortgage-lenders and served forfeiture notices alleging payment arrears for charges which the agents had been notified were in dispute.
6. The agents fail to consult with the residents' association and more recently have sought to denigrate it although it is a 'recognised' association and 22 of 33 leaseholders choose to be represented by it.

In consequence of the problems at Century House, flat valuations are low and it difficult to sell, especially so when the agents insist that prospective vendors pay off alleged arrears (including for outdated external and internal works demands and for service charges in dispute). Recently two two-bedroom flats were valued at about £85,000 – little more than what they cost when the block was converted 13 years ago. By comparison, two-bedroom flats in a neighbouring road which used to sell for similar amounts now fetch around £130,000.