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NEWS

FPRA
FEDERATION OF PRIVATE RESIDENTS' ASSOCIATIONS

MEMBERS ONLY

By the Editor

Members take priority at this year's FPRA AGM. The idea is that you have plenty of time, space and opportunity to raise your questions and problems at this year's event.

We are holding this our 46th AGM and Conference on Wednesday 15 November 2017 6.00pm to 7.30pm at The Trafalgar Room, Victory Services Club, 63-79 Seymour Street, London W2 2HF.

The event will be for FPRA members only, and besides our AGM, we are delighted that Nicholas Kissen, senior legal adviser at the Leasehold Advisory Service (LEASE) will make a speech. In addition, there will be general advice sessions, question and answer sessions and some individual one-to-one advice sessions.

We have decided to limit attendance this year to FPRA members, as for a non-profit organisation with limited facilities, previous attendances of 300-500 people have proved difficult for us to cope with.

We hope to see you there!

Our AGM guest speaker Nicholas Kissen is a solicitor at LEASE with nearly 30 years' experience both in private practice and the public sector. Nicholas is a regular speaker at property professional events and in addition delivers classroom and bespoke training including those reviewing codes of management practice. He has also been included in the 2015 and 2016 editions of News on the Block's "Hot 100" – a list of the 100 most influential people in residential training as well as webinars on a regular basis. Nicholas has sat on a number of outside bodies property.

INSIDE THIS ISSUE

"A Member Writes"

We continue our series in which our members write in with their experiences of leasehold life. It is apparent from our postbag that retirement leasehold property is a major source of concern. Here are three articles sent in by members who have differing points of view.

We welcome articles from our members and invite you to write in with your experiences.

HAPPY MOVE TO LEASEHOLD LIFE IN RETIREMENT

We are a new development, located within the historic part of a market town. The complex comprises two blocks of apartments, one containing 32 dwellings, plus a smaller unit, having just 10 apartments.

Residents began moving in during the latter part of 2014 and we now more or less have full occupancy, with a strong leaseholders' association to represent our interests with our landlord, and to serve as an opportunity for social gatherings, whenever we have an association meeting.

Communal living is not for everyone, but for many, it is an ideal housing solution, particularly so, for those of maturing years.

My wife and I had been considering moving from our four-bedroom detached property following my retirement from full-time work, but it wasn't until I noticed the recent property development that we decided we should go ahead and take the plunge.

Despite some initial concerns and a few teething problems, we have now settled in, and feel well adjusted to this very different way of living. There are things that we miss from our previous dwelling, but the benefits far outweigh any disadvantages that our apartment offers.

We had to de-clutter and get rid of many possessions that were simply inappropriate for our 55-square metre humble abode.

A major advantage from our apartment living, is the range of facilities that are situated just a few minutes' walk from our home, including banks, doctor's surgery, shops, pubs, and restaurants etc.

Some residents have moved in and found it wasn't what they expected, or couldn't adjust to the different way of living and they have decided to move on.

Inevitably, one of us will be left alone at some stage and if it's me, although it's something I dread, I would prefer to live alone here, rather than be confined to the privacy of our previous home. On the other hand, if it's me that goes first, I shall go with some solace that my dear wife will have a friendly community around her to ease the loneliness that can be difficult to bear.

Having extolled the virtues of apartment living, it is true to say that there are some issues affecting some residents more than others, but we shall work at these with a positive and determined attitude to bring about improvements in the quality of living that kind and considerate people deserve.

When I hear the odd noisy disturbance, I think back to the sound of young children screeching, and footballs bouncing in the street, and my attitude becomes a tad more tolerant in my retirement years.

UNHAPPY RETIREMENT LEASEHOLDER

From our angle, confusion reigns as it appears that the conditions of our leases legally exclude our rights under consumer protection law (misrepresentation).

I believe that leasehold retirement village properties hold a more disgraceful challenge as most retired people are 'slowing down,' physically and mentally, although a small percentage is still relatively more active. Generally, elders' 'wits are in decline' or even in various stages of dementia, more forgetful, more naïve, more easily confused and prone to misunderstanding and with less vitality than younger citizens. A few seem to be more than half asleep, not knowing what day of the week and where they live. It's easy to see how many elders are attracted to retirement villages. Elders also become befuddled and lethargic, being overloaded with information and give in to repeated excuses and complex arguments when promises are not delivered. This age group, like children, are much more gullible – vulnerable to abuse, scams and exploitation...

Among the other issues we face are the sneaky ways in which developers and builders hide the fact that there is normally a two-year warranty with 'new buildings.'

We are potentially faced with the costs of repairing defects that were not registered or adjudicated as such. We suspect that the landlord is adopting 'stonewall/long grass' tactics, hoping we'll die off before too long and the issues will disappear with us.

We have referred the presentation and management of the warranty process to the Housing Ombudsman after our attempts via the landlord's complaints process and a 'designated person' failed to provide satisfactory outcomes in our opinion.

We suspect that the practice of withholding information about the two-year warranty is widespread to the advantage of developers and the disadvantage of new buyers of property. Research might prove it so.

RETIREMENT LEASEHOLDERS DUPED

Reports from the All Party Parliamentary Group on Leasehold Reform have exposed the scandalous practices of some housebuilders, including ripping off consumers and charitable housing associations. Comments made on 19 April at Westminster included: *"With highly ingenuous marketing, housebuilders have made the homebuying process something akin to an impulse buy at the end of a supermarket queue."*

It's not only housebuilders engaged in this unscrupulous practice, some 'enterprising' housing associations have probably been in cahoots with developers and lawyers before selling new leasehold retirement properties to entrap elders into legally binding contracts.

Long, slick and cunning sales campaigns, planned to ensure a relatively quick sale, paves the way towards a 'stress reduced' move and 'peace of mind.' Advice on down-sizing, preparing for the move and other enticements, such as concessionary discounts with a 'preferred' small local solicitor, a furniture supplier, carpet layer and removal contractor; free social events, including a dinner, dance with entertainment at a local hotel; discounts on over-valued properties for early completions of sale and selected information all enhance the illusion of a 'good deal,' highly promising prospects and the reduction of anxiety and stress association with moving home.

The sucker punch (a representation clause, included deep in the lease conditions, that some solicitors 'normalise' and fail to warn buyers of the onerous consequences) effectively prevents leaseholders from claiming 'mis-selling.' Yet consumers are protected from this unscrupulous dealing in other more minor transactions by the **Consumer Protection from Unfair Trading Regulations 2008.**

It is totally unjust that the UK has law which prohibits deception in some areas, yet selling properties to vulnerable people via dubious practices that has enticed them into signing their rights away, with traps such as the following, is permitted:

"The Leaseholder acknowledges that this Lease has not been entered into wholly or partly in reliance on any statement or representation made by or on behalf of the Landlord, except any such statement or representation expressly set out in this Lease or made by the Landlord's solicitor in any written statement in any written response to enquiries made by the Leaseholder's solicitor in connection with the grant of this Lease".

If solicitors fail to expose the detailed implications of this, or similar clauses, the customer has no legal right to claim against the seller for mis-selling. I guess that the customer may have a claim against the solicitor for professional negligence. But declining physical and mental abilities and spirit means that elders, trapped in complex conditions, generally avoid the difficulties of challenging their neglectful solicitor or escaping the trap by moving again and remain very susceptible to exploitation.

GOVERNMENT PROPOSALS TO CUT DOWN ON UNFAIR LEASEHOLD PRACTICES

By FPRA Committee Member Yashmin Mistry of JPC Law

Under the Government's new proposals announced in July, the sale of new-build homes under leasehold could be banned.

The Government proposed an eight-week period of consultation to look into what action, if any, can be taken to reduce unfair abuses of leasehold and enable a more transparent system for homebuyers. In addition they have launched a second consultation on proposed secondary legislation that recognises residents' associations, and their power to request information about tenants.

It is important to note that the proposed ban looks to apply to new build properties and there are not as yet any definite Government plans to compel builders/developers to take action to assist those already affected. It is also not clear whether the proposed ban is to affect houses only or houses and flats. We will need to wait for the outcome of the consultation process.

From a developer/freeholder's prospective a lease is a wasting asset. In the leasehold world, a developer can sell both lease and ground rent investment. The ground rent investor will bide its time, awaiting the expiry of the lease – or a claim for an extension. Either way, the lease is monetised – twice. Developers/freeholders will invariably be affected should a ban come into force compelling all leasehold properties to be sold on 999 years at a peppercorn or "nil" ground rent.

We will need to await the outcome of the consultation process. What is clear however is that conveyancing solicitors acting for purchaser and lenders alike need to read the leases their clients are purchasing and explain to their clients the impact any ground rent patterns will have on the future value and marketability of leasehold properties.

WILL LEASE EXTENSIONS BE INCLUDED IN PROPOSED GROUND RENT CONTROLS?

The Government needs to protect leaseholders against this trap for the unwary, says FPRA Director Shula Rich. She responds for the FPRA to a consultation from the Department for Communities and Local Government on new Ground Rents.

Major property developers (in particular house builders) have all followed each other in including such high ground rents in new leases that instead of the expected profits there has been an outcry leading to proposals for controls.

The house builders' initiative has in fact been counter-productive. Due to their escalating ground rents, leasehold has never attracted so much adverse attention. A consultation focusing on new Ground Rents was circulated by DCLG with a response date of 19 September.

The popularity among developers of significant ground rent increases could, if allowed to continue, bring chaos. Hence this swift Government action.

FPRA Director Shula Rich

Ground Rents have often been related to unusual multipliers. For example, in my own block, built in 1963, the ground rent would have risen to 10 per cent of the market rental value for 109 flats had we not bought the freehold and disposed of the clause.

An escalating ground rent not only devalues our investment, it also increases the cost of buying the freehold, as we have to 'buy out' the return freeholders are getting on their investment.

The consultation, published on 25 July and titled *Tackling unfair practices in the leasehold market*, can be accessed on the DCLG website.

However there's one ground rent important to FPRA members that the consultation leaves out. It's frequently hidden (sneaked in) by freeholders in a non-statutory lease extension offer.

The 2002 Commonhold and Leasehold Reform Act gave leaseholders the right to extend their leases by 90 years after the end of the term at a peppercorn ground rent. The ground rent is reduced to almost nothing by law. This is a statutory lease extension.

The cost of a lease extension is related to the amount the freeholder is giving up in terms of ground rent income. The higher the initial ground rent, the higher the cost of getting rid of it for the leaseholder. The point about a statutory lease extension, however, is that a First Tier Tribunal (FTT) can settle any dispute on the price.

But what about the lease extension to 'bring the term up to 99 years?' or to extend the term by 125 years? or to 999 years? These are all non-statutory lease extensions and are not controlled by an FTT appeal.

Ground Rent can be escalated to any sum and the terms of the lease altered to the detriment of the lessee. It is not appealable. It could be called 'sneaky'.

Nobody is required to tell lessees that there is an alternative called a 'statutory' lease extension where the terms are subject to legal controls

The consultation does not deal with ground rents which arise as a result of a lease extension, although they can be just as onerous as those on new builds.

FPRA will make it clear to Government that, along with controlling ground rents on new leaseholds including leasehold houses, ground rents increased as a result of a lease extension also need to be controlled.

There is reference in the consultation to ground rents in 'new leases'. A lease extension is often referred to as a 'new lease' as the longer term is substituted for the shorter. However, the need to include lease extensions in the proposal to regulate ground rents is not spelled out.

Many lessees, even some of our members who are best informed, do not realise that when a lease extension is offered nothing need be changed if it is a statutory extension, apart from the ground rent reduced to a 'peppercorn'.

If a lease extension does not come under the statutory regime then everything is theoretically subject to change ('modernising'). The term 'modernising' our leases is presented as an advantage, but it can cover changing the terms to make them more friendly to the freeholder and escalating the ground rent (increasing the cost of buying the freehold).

Sometimes the lessee is passing the lease extension on to a new purchaser who has little choice but to accept the terms. Frequently the lessees will not be warned by surveyors or solicitors that there is a choice to take the statutory route.

We will be asking for this trap for the unwary to carry a warning at the very least and at best controlled along with other onerous ground rent terms.

A TRAGEDY TOO FAR

By our regular columnist Roger Southam, non-executive Chair of the Leasehold Advisory Service (LEASE).

The world of flats, towers and leasehold has become dominated by Grenfell Tower and rightly so. It is an appalling tragedy and the loss of life is very sad. The public have rightly wanted answers as to how it could happen and the media are searching for immediate answers when there is a complex series of questions to answer to get anywhere close to satisfactory answers.

Developers, owners and managers are all running around to garner information, carry out tests and understand the full implication of this devastating event. From the resident association perspective, how do you know your building is safe? How do you know the necessary safeguards are in place?

In reality, nothing is 100 per cent safe and never can be. There are risks in everything made and everything we do. However, mitigating those risks is vital, particularly when you are responsible for human life. Understanding the complexities of modern construction and the requirements for fire safety and health and safety is becoming ever more demanding. This needs the engagement of facilities managers as well as property managers to ensure the correct maintenance regimes and care for the plant and machinery.

Having leaseholders and the residents educated and aware of the requirements and necessities for fire risk assessments and health and safety is now vital. The expenditure on fire risk assessments or health and safety audits can frequently be challenged by leaseholders looking to save costs. Making sure you have a property manager that will put in place all systems, processes and full safety measures is absolutely vital. This can never be stressed enough, and knowing your manager is up to date on these matters should be of paramount concern.

It is possible that one of the outcomes from the tragedy will be the regulation of managing agents and the management of block of flats. This would be a good thing because it would give clarity to a confused market place on the professionalism of managing agents. It would ensure that all managers are operating to the same standards with redress schemes and client protection. There are a number of ways this can be achieved and it would be a positive step forward to reassure the owners and occupiers of the flats.

Quite rightly, owners want to know the details of the construction of their buildings. Quite rightly they are seeking reassurance on safety and protection. In the current

climate and without regulation of managers where would you go if you cannot get the assurances you desire? Is it right that you could spend time and money having to pursue through litigation?

The responsible and professional managers will reassure and work hard to ensure your building has all checks and assessments up to date. The worry is the agents that will not, or have not.

Following the Grenfell Tower fire, the Government put in place a testing process for samples from flats where the cladding is thought to be made of ACM (Aluminium Composite Material). The Government has made clear this is not just for councils and social housing but is available to RMCs and RAs as well. The Department of Communities and Local Government said: "We are making this testing facility available to any other residential landlords and you should ensure that they are aware of this offer."

You can contact the Department on housingchecks@commuinities.gsi.gov.uk

APPEAL TO FIRE MINISTER

Writing to congratulate Nick Hurd MP on his appointment as Police and Fire Minister, FPRA Chairman Bob Smytherman said: "FPRA is the only national body representing long leaseholders, although there are several 'trade and professional' organisations representing the business interest.

"We were shocked and saddened by the recent tragedy at Grenfell Tower and would very much appreciate the opportunity to work with your Department constructively to learn the lessons and improve the regulations for those of us responsible for fire safety in our own blocks so we can share best practice and support other residents living in blocks of flats throughout England and Wales.

"The leasehold sector has several areas of problems which could be easily resolved were there the political will and most of the problems could be resolved with little or no cost to the Government, whilst at the same time, boosting the sector and its contribution to the economy.

"On many occasions substantial improvements to the lives of leaseholders have not been achieved because of the lobbying of business sectors who earn out of the present disjointed approach."

Legal Jottings

Compiled by Philippa Turner

UKUT	United Kingdom Upper Tribunal
EWCA	England & Wales Court of Appeal
PLSCS	Property Law Service Case Summaries
LVT	Leasehold Valuation Tribunal
FTT	First Tier Tribunal (formerly the LVT)
RTM	Right to Manage

Rent Act 1977

There may still be a few of our members who have flats in their blocks held on tenancies subject to registered rents governed by the 1977 Act. If so, they should be aware of any recent decisions affecting such flats. Under the Maximum Fair Rent Order 1999 made under the Act, rents may not be increased by the Rent Officer to more than 15 per cent of the previous rent. In the case of *Ljepojevic v Cambridge University (2017 UKUT 213)* the FTT on appeal from the Rent Officer determined the fair rent at £2,805 per quarter, double the previous rent on the basis that the flat had been improved by works carried out by the landlord and therefore was exempt from the Order. However, the UT held that the FTT had failed to consider the criticisms made by the tenant about the improvements and whether or not such "improvements" justified the increase in rent. It was emphasised by the UT that the FTT should give specific and clear reasons for its decision and it had not done so. Accordingly, the case was remitted to a differently constituted FTT for fresh consideration.

Landlord & Tenant Act 1985

In *Southwark LBC v Akbar (UKUT 1917 150)* major works were carried out after the issue of a Notice under Section 20 of the Act indicating the landlord's intention; one of the leaseholders, Mr Akbar's share was calculated to be in excess of £40,000 so it was perhaps not surprising that he sought to avoid payment by whatever means available and this was to challenge the validity of the Notice on two grounds: (i) that it had not been received and (ii) that the wording did not comply with the requirements in the Act. So far as (i) was concerned, the landlord's evidence that the Notice had been sent out by a company specialising in providing such a service to large organisations and it had been properly processed and posted; under The Law of Property Act 1925, service is deemed to be effected if posted and the FTT was held by the UT to have erred in law in requiring an exceptionally high standard of proof where the sender had not itself posted the missive but had employed another to do so. The UT also upheld the landlord's appeal on the second point in issue (ii) holding that there was no requirement in the Statute to follow the exact wording of the Section in question as long as the meaning was clear – namely, that a contribution would be required in the future when the exact amount was ascertained. Incidentally, it appears that a solution to the payment of such a large sum was offered by the landlord in offering to take a charge on the property, only to be realised on disposal.

In *Corvan v Abdel-Mahmoud (2017 UKUT 228)* it was the non-service of a Section 20 Notice which was successfully challenged by the tenant. The question was whether a management agreement for an initial 12 months to continue until terminated by either party on three months' notice was a "long term qualifying agreement" (LTQA) or not; if it was, a Notice should have been served and it had not been. In upholding the FTT, the UT held that it was, citing the cases of *Paddington v Peabody* (Newsletter 91) 12 months renewable on a year to year basis – not a LTQA – compared with *Poynders Court v GLS* indeterminate in length but terminable by either party on three months' notice was a LTQA. Two further points in issue were remitted to the FTT for further consideration: first, whether the cost of £130,000 – £170,000 p.a. to employ two or three porters was justifiable under the lease which provided for the employment of porters but not to perform the duties the cost of which was recoverable through the service charge: there had been insufficient factual evidence before the Tribunal and no argument had been heard on the point; the second matter challenged was whether the cost of payroll preparation for the porters (£1400 - £1600 p.a.) was recoverable. The FTT had held it was not but its reasoning had not made clear whether this was because it was considered that this was something which should be a standard part of the managing agents' administrative duties.

Landlord & Tenant Act 1987

In *Octagon v Coates (2017 UKUT 190)* a manager had been appointed under Section 24 of the Act to take over management responsibilities from the landlord's company (CREM) to include, as is customary, the arranging of insurance. On application the FTT declined to modify the original order and CREM appealed to the UT on the grounds that it was required to be responsible for insurance to retain its financial support for its investment in the development. The UT held there was no reason why the insurance function should not be exercised by CREM but it was possible, as a practical solution, to incorporate provision in the order that the Court-appointed Manager should handle all insurance claims and other insurance related matters when they arose, whilst leaving CREM to make the actual appointment of the insurers.

Leasehold Reform Housing & Local Government Act 1993

The case of *Contactreal v Smith (2017 UKUT 178)* concerned the valuation at £97,300 of a lease extended under the Act. The UT allowed the landlord's appeal from the FTT in part:

(i) there had been a failure to disregard the benefit of the Act which reflects on the value of a lease by a percentage which increases the nearer it gets to its expiration;

(ii) the discount of 4 per cent for a possibility of an assured tenancy arising on expiration was too high: it was unlikely a hypothetical purchaser would have made a discount of more than 2.5 per cent in this case where the unexpired term was, before the extension, 67 years;

(iii) the value of a long lease was 99 per cent of the freehold value not, as the FTT determined, 100 per cent basing its decision on what was argued to be local practice in the Midlands where the property was located.

The premium was accordingly to be recalculated upwards.

Commonhold & Leasehold Reform Act 2003

The Respondent to an appeal to the UT from the FTT in *Dougall v Barrier Point (2017 UKUT 207)* was a RTM company of 257 flats in eight blocks on 999 year leases. The company had taken proceedings in the County Court for £3,769 service charges and rent which the Applicant leaseholder had defended citing the absence of the landlord's name and address from the demand. The matter was transferred to the LVT in 2013 by which time the landlord's name and address had been supplied. The Applicant was ordered to pay £2,576, but no order for costs was made. Further demands were made for the years 2012–16 amounting to £13,911, and on further reference by the Applicant to the FTT (as the LVT had then become) he was held liable for all but £660 of the total and ordered to pay half the costs, refusing his application under Section 20C that the balance should not be recoverable through the service charge. He appealed to the UT disputing £2,918 and £1,280 legal fees. It was held by the UT that the FTT was correct in finding that the statutory requirements had been observed (landlord's name and address and provision of a summary of rights under Section 21B) but that the legal fees were not covered by the wording of the lease "all rates taxes assessments charges and other outgoings". However, the Respondent would be able to recoup from all the leaseholders the cost of enforcing covenants as part of its maintenance expenses. The fee for management expenses demanded exceeded the amount of £65 per flat provided by the lease (subject to revision from time to time), but the UT held that the RTM company had acquired management rights under the Act and for these purposes held the role of managing agent. So far as costs before the FTT were concerned, the Applicant had a degree of success there, his conduct was not improper and it was not an abuse of process so the UT set aside the costs order.

Service charges

The cladding on a Council Estate of 40 blocks containing 80 long leaseholders was installed at a cost of £615,320, part of which was funded by way of grant from a third party. Nevertheless, £9,378 was sought from each leaseholder by way of contribution. The Respondent leaseholder in *Oliver v Sheffield CC (2017 EWCA 225)* obtained a determination from the FTT, upheld by the UT, that, where recovery of part of the costs were obtained from another source, it should be deducted from the overall liability arising under the service charges. The Court of Appeal dismissed the landlord's appeal: to allow it would enable double recovery to be made and this could not have been reasonably contemplated by the lease wording describing liability as a "fair proportion" of the costs incurred.

Damages

Mr Williams' property was adjacent to a railway line which had been for some years infested by Japanese knotweed and which had spread onto his land. He took proceedings in Cardiff County Court against Network Rail *(Williams v Network Rail 2017 PLSCS 94)* for nuisance which failed because there was no evidence of actual damage to his property but he was successful in being awarded damages for diminution in value due to interference with amenity value and for the cost of treatment.

UPDATE ON GAS SAFETY CHECKS

Following consultation, The Health and Safety Executive intends to amend and update some areas of the Gas Safety (Installation and Use) Regulations 1998.

The proposed change most relevant to flat managers is:

- Regulation 36(3): Introduce flexibility in the timing of landlords' annual gas safety checks, and clarify which defects should be recorded.

The HSE say they were expecting to introduce the amended statutory instrument (SI) in October 2017. However, the unexpected General Election and preceding purdah period affected the Parliamentary timetable, and now there is insufficient parliamentary time to meet the planned October 2017 commencement date. They will introduce the amended SI on the next common commencement date which is 6 April 2018.

Supporting Campaigns

FPRA is pleased to lend its support again this year to three worthwhile campaigns. Gate Safety Week, Fire Door Safety Week and Gas Safety Week are all taking place about now and there is a wealth of information, much of it useful to flat-dwellers, on their websites:

www.gatesafetyweek.org.uk

www.gassaferegister.co.uk/gassafetyweek

firedoorsafetyweek.co.uk

BE ON **YOUR GUARD** By Francis Wood

The Federation does not endorse companies but does accept advertising in the newsletter. Recently we had a good illustration of why proper enquiries should always be made before entering into commercial agreements.

Shortly before I stood down from my role as the Federation's lead on vehicular trespass and parking issues, the office received an email from Parking Management for Flats (PMFF, not its real name) advertising the various services it offered flat management companies, hoping we would pass them on. These looked very attractive and seemed to cover just what flat management companies need and the Chairman asked me to look into them. Their material was plastered with well recognised and respected logos. ARMA was prominent but so were the British Parking Association and several flat management companies. Its website included many recent testimonials from well satisfied property companies. I was tempted to sign my flats up for their Self-Ticketing Scheme where we would control the issue of infringement notices but be isolated from the notices themselves and collecting the charges. Not only would the service be free of charge (as well as free of hassle) but we would be paid £10 for every charge they collected. As an extra, their patrols would pick up any litter in our car park!

Before contacting PMFF, caution suggested that I ought to check some of its claims. Strangely, ARMA's website did not show PMFF as a member. A call to ARMA confirmed that they were not current members (though they were before they had been expelled for not paying their dues). Trading Standards are currently requiring that PMFF remove all reference to ARMA from its website and publicity material.

Another important claim I checked was that they were BPA members and members of BPA's Approved Operator Scheme (AOS) which would allow them to obtain infringer's details from DVLA. Although corporate members of BPA they were not in their AOS – though they are members of the other AOS run by International Parking Community. Another boast was their Quality Management Scheme accreditation – but I learnt that they had surrendered their certificate a while ago. I was able to substantiate just one of its claims.

Companies House can be a useful source of information and provided details of the Owners and Directors and that it had been in business for a few years. But, although it only files abbreviated Accounts, the latest were six weeks overdue when I wrote this. Its accounts to 30 September 2015 indicated that, at that date, it was not short of funds.

I have not investigated sufficiently to be sure that PMFF should be avoided at all costs but I do urge members to check any company thoroughly before signing up. Above all, speak to several current users in your area and get explanations for any oddities in claims. I somehow doubt that PMFF will be advertising in the newsletter.

Thank you to Francis Wood

FPRA would like to express its thanks to Francis Wood, who has recently left our honorary consultant panel having retired after many years of helping to run his own block. Francis has been in regular contact with the FPRA office over many years and has been an invaluable source of research into all sorts of areas that affect our members and has helped to keep the office informed. Most recently, he's helped with the British Parking Association and parking issues but, prior to that, covered a whole range of issues. FPRA would like to wish him well in his retirement.

LIFETIME LEASES

FPRA Chairman Bob Smytherman has written to Sajid Javid, Secretary of State for Communities and Local Government, to express concern about a new development in leasehold.

Bob writes: "At a recent meeting of our Federation there was considerable disquiet over a relatively new sector in the leasehold market. There are certain agents promoting and marketing what have become known as Lifetime Leases.

"At our meeting there were representatives of other industry bodies including the Royal Institute of Chartered Surveyors, the Association of Residential Managing Agents as well as campaign group Leasehold Knowledge Partnership. All the representatives, as well as our own membership, were concerned about how Lifetime Leases operate, with the potential to sidestep regulation and the potential for abuse.

"I ask that you investigate this sector, possibly in conjunction with the Financial Conduct Authority at an early stage. Indeed, this may be an issue that you should be raising with your Cabinet colleagues as a cross-department issue.

"For those not familiar with this sector, what is happening is that a property might be marketed for say £400,000 as an outright purchase and at the same time also marketed at a lower figure perhaps £250,000 as a lifetime lease. At the end of the lease, ie when the person dies, it reverts back to the freehold company.

"There are all sorts of issues arising from this and we would welcome your department's response."

The new Housing Minister following the General Election is Alok Sharma (MP for Reading West) who replaces Gavin Barwell, who lost his Croydon Central seat.

SATISFIED CUSTOMER

FPRA receives lots of thank-you messages, such as: "Thanks very much for your clear, valuable and much appreciated advice" from one member recently. If you are happy, please don't forget to give us a good review on TrustPilot, using the link on our website.

ASK THE FPRA

Members of the committee and honorary consultants respond to problems and queries sent in by members

Extended lease

Q We own the freehold of the block and some of the lessees would like to extend their lease. The majority have a lease of 999 years from 25 March 1972. For those that don't, we have negotiated a reduced fee for the solicitor that acts on behalf of the management company, but he says the lessees also need to appoint a solicitor to act on their behalf.
Is that really necessary seeing as we/they already own the freehold and there is no premium to pay, just the expense of preparing the legal paperwork and filing at the Land Registry?

A FPRA Committee Member Colin Cohen replies:
There would be a possible conflict of interest if the freehold company's solicitor acts for both the leaseholders and the company.
Hence for that reason the solicitors are suggesting that each leaseholder appoints independently their own representative or a solicitor to advise them.
It is of course not compulsory but up to the individual lessee to decide.

Insurance

Q I am writing regards Employer's Liability insurance, which used to be included as part of our buildings insurance policy, but is no longer covered. This has made us a little bit concerned, although we do not actually employ anyone, so believe the cover would not cover anyone anyway.
We were wondering however, we do have someone who cuts our grass for us, and an odd job man who does odds and ends, but they are just paid casually for the work done. Should we get them to sign some sort of disclaimer, in the event of any problem? Would it be appropriate or relevant?
Also, last year we had a large job done by a large company – new garage roofs. We assumed that they had their own cover for any problems. Are we right to make this assumption, or should we always check?

A FPRA Insurance Expert Belinda Thorpe replies:
Most normal flats' policies should automatically include Employer's Liability insurance, so I am surprised you no longer have it included. I would recommend that a disclaimer is signed. However, I would have a concern whether that would be adequate if an incident occurred. For example, if an injury occurred to the odd job man that was deemed to have been due to your inadequacy, ie the pavement was uneven and he tripped or due to equipment he used that belonged to you being faulty, then I feel there is still a risk.
I would recommend locating a policy which includes Employer's Liability insurance.
As far as work completed by companies, you should always carry out a risk assessment. I have sent you an appraisal form that you can complete each time a contractor is used. Please ensure you keep these appraisal forms filed somewhere safe.

Trespass

Q On our estate (we own the land) there are two courtyards of garages, about half of which are owned by the residents. A non-resident owner has recently changed the door to an unused garage and dumped the old one on our land! We never see the owners. I have an address and phone numbers. The phone numbers are no longer operative! I intend to write to them.
In my letter I want to ask them to remove the door within three weeks and then state that after this they will be sent a bill for the removal of the door. (The local council will not collect for free). Is this legally enforceable? What law are they breaking? Can I add an admin charge to the bill?
If they ignore my correspondence and not pay, can I take them to a small claims court? It is possible they have moved from the address we have.

A FPRA Legal Adviser Nicholas Roberts replies:
The law that the garage leaseholder is breaking is the law of trespass. This is a tort (= civil wrong) rather than a breach of the criminal law. Leaving something on land belonging to someone else is trespass to land, in that same way that it is trespass for a person to enter land without permission.
One is entitled to resort to self-help to stop acts of trespass, though the problem is that would usually involve putting the offending items back on the offender's land. That is not likely to be practicable here.
It happens from time to time that someone (A) leaves property with someone else (B) with their agreement for some purpose (eg anything from a car or watch to be repaired, or clothes to be dry-cleaned, or an item of jewellery to be valued), and A does not then collect them. Even though B agreed to take them, the law is clear that, provided B takes appropriate steps to warn A what is proposed to do, B does not have to keep the goods indefinitely, but is, after giving a warning, entitled to sell them.
You may ask what the relevance of this is to your situation, but it is this. If someone who is supposed to keep the goods can get out of that obligation, and sell or otherwise dispose of the goods, then you can clearly do so as well, as you did not agree to take them in the first place.
I suggest that you do as you propose, and write to the owner at the last address that you have for them, and ask them to remove the door within three weeks, failing which you will take steps to have them it removed as rubbish and will hold them responsible for the cost. If the owner has moved, then they should have advised you as their ground landlord of their change of address, but, to be on the safe side, I would suggest that, besides posting a letter to them you also
(A) put a copy of the letter under the door of their garage; and
(B) also stick a copy of the letter in plastic envelope on the door that they have removed.
If you do incur expenditure in getting the door removed, I can

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see no reason why you should not be able to sue in the County Court as a small claim for the cost of disposing of the door. You would also be entitled to sue for a nominal sum in respect of the trespass to your land – which began when it was left there, not when you write to the owner. Nominal damages for a single act of trespass are conventionally usually £10. I would hesitate to think that a court would go so far as to order damages at the rate of £10 per day, but you might ask for a larger sum: in practice it would probably be appropriate to sue for damages in such sum as, when the cost of disposal was added on, did not exceed the amount you can claim and still incur only the minimum County Court fee. For example, the minimum fee payable to the court is now £35, and that covers a claim of up to £300.

Show of hands

Q **I believe there have been changes in the law which permit voting on a show of hands at company general meetings by holders of proxies, regardless of the provisions of the company's Articles. I sense that we may have a situation at our forthcoming AGM where a shareholder who also holds another shareholder's proxy expects two votes on a show of hands. It would be cumbersome to resolve the matter each time it arose by conducting a poll so I would be grateful for advice on the following question: If a shareholder is proxy for one or more other shareholders, how many votes does he have on a show of hands where the company's Articles provide that "on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is a holder"?**

A FPRA Vice-Chairman Richard Williams replies:

The answer is that, on a vote by a show of hands , a member can only raise one hand so effectively has only one vote, however many proxies he has.

The convention is that on a show of hands the chairman will ask for members in favour to raise their hands, and then ask for those against to raise their hands. Depending on the terms of the proxies he holds a member may raise his hand on each occasion, which will effectively be one vote in favour and one against. If there are contentious issues, ie. which will not be able to be "nodded through" and declared carried by the Chairman (whose word is final) on a show of hands, there will be no alternative to a poll.

Refurbishing the exterior

Q **We plan to refurbish our block and we are obtaining estimates for either rendering or pointing the exterior. There are 11 flats and each has a vote on which 'finish' we decide on. We have a meeting to discuss estimates and we now believe there are likely to be different and vociferous views.**

My question relates to the decision the shareholders make and particularly the voting. Do we need a majority; a number in favour over a particular percentage; or must the vote be unanimous? The penthouse has always paid 'two shares' so does this entitle them to two votes?

One thing for sure is that the brickwork/pointing has deteriorated over approximately 30 years and rectification work is essential.

A FPRA Vice Chairman Richard Williams replies:

Legally, the freeholder or management company is a separate person, distinct from the shareholders.

The company's business, which the management of the property is managed by the directors. It is the directors, therefore, who decide on the works that must be done and what they should cost. Shareholders votes, on such matters, are not legally binding on the directors.

Of course, the shareholders are not powerless. They can vote against the appointment or re-appointment of directors, or even remove a director from office, using procedures under the Companies Acts.

The other legal principle is, of course, that regardless of what shareholders/leaseholders vote for or the directors decide, service charges must be reasonable.

Having said this, although the proposed meeting will not lead to any legally binding decisions, it may give the directors some help in reaching a decision – but the decision itself must be made by them.

In view of what is said above, the question of how many votes each member should have may be somewhat academic. In the case of a formal company meeting, eg to elect directors, this will laid down by the Articles of Association.

Normally, it would be a case of one shareholder or member having one vote, regardless of share of the service charge that they pay.

Difficult working relationship

Q **I am one of five directors writing on behalf our management company. Three of the directors are wishing to hold an EGM with reference to our working capabilities with two new directors which has now become untenable. Therefore we would like to hold an EGM to discuss with the shareholders the board's position. How much notice do we need to give? Can we send a letter of intention to all shareholders inviting them to attend within the next few days?**

A FPRA Director Shula Rich replies:

It depends if the meeting is going to be formal or not. If it is to 'discuss' something with no resolutions then it could be just a 'Meeting' with a reasonable notice period. If you are going to have resolutions and a formal meeting then the period needed for Notice will be in your Memoranda of Association.

As the two directors are already in a minority, would it be another idea to elect or co-opt one other person so as to neutralise them? A director need not attend in person and can appoint an alternative director to attend meetings instead.

Parking for cars, boats and canoes

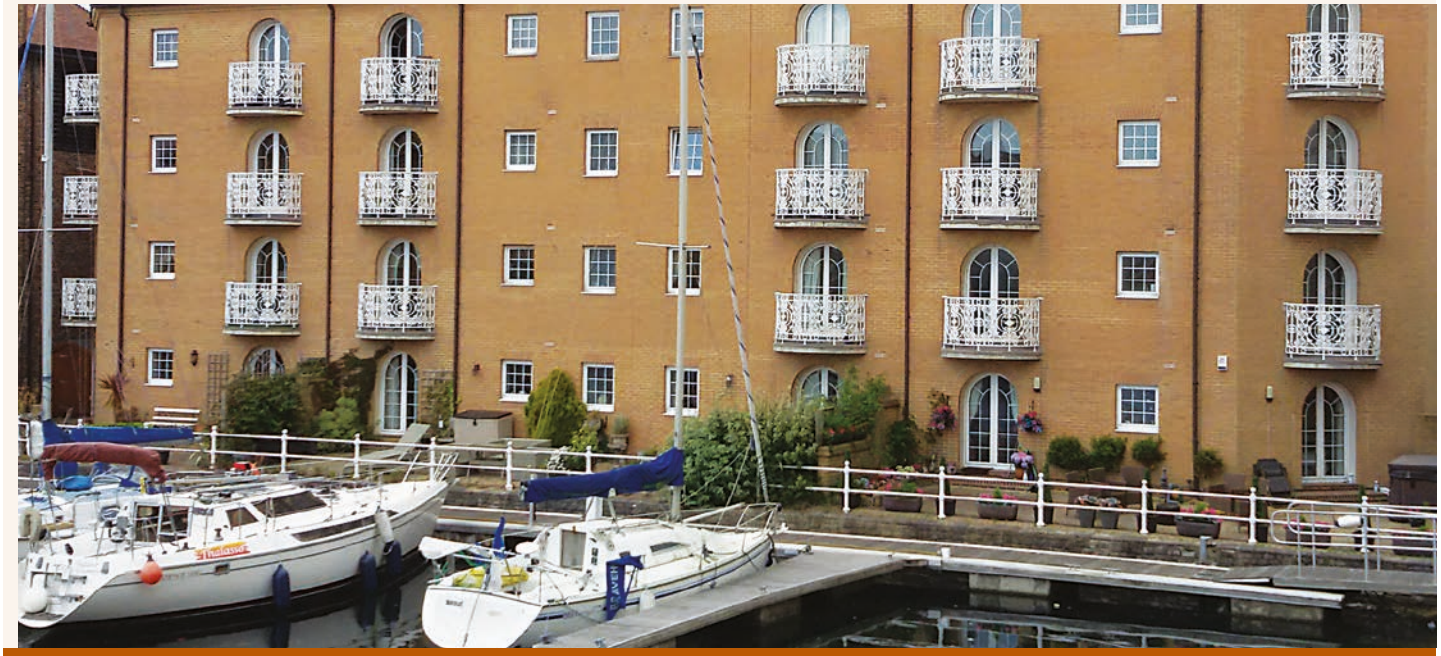
Q **We have a leaseholder in our block who has rented out her flat and retained the garage for her boat and canoes etc. This means that her tenant will need to use the space in front of her garage or the visitor parking. Because we live directly opposite the beach this will cause us a lot of problems when she comes along to use the boat etc,**

putting her car in the car park, needing access to the garage, and her tenants putting their car in the visitors' parking. We already have a major problem with parking when any visitors come, and also when contractors come to do their work. Can we tell the tenant that they do not have any right to use the car park?
It clearly states that she is not to split the garage from the flat. We think that she is breaking the terms of the lease, and would appreciate some help/confirmation of this.

A FPRA Committee Member Shaun O'Sullivan replies:
Although I am not a lawyer, having read your lease I am far from convinced that your assertion that garage cannot be split from the flat is actually correct. Clause 1 of the lease, in defining what has been demised, identifies the flat and the garage as separate entities (as is usually the case with residential leases where there are garages) but states that together they are known, compendiously, as 'the demised premises'.
However, in addressing underletting in Clause 3, the two main components of the demise, namely the flat and the garage, are (other than in the last seven years of the term) dealt with separately and not as 'the demised premises'. It is apparent (as, again, is normally the case with residential leases) that the lessee is not permitted to assign, sub-let or part with possession of part only of the flat. Also, the lessee is not permitted to assign, sub-let or part with possession of the garage, albeit the lease does contemplate a split to the extent that it appears to allow the garage to be let separately from the flat provided it is to another lessee of a flat in the block. However, in the case in question, the lessee has not, as I understand it, sub-let part only of the flat and has simply retained the garage for her own use. This appears to me not to be in breach of the lease. It would not, of course, be permissible for the lessee to let the garage (other than to another lessee of the block) without at the same time letting the Flat.
So far as parking is concerned, it is almost impossible to offer anything like definitive advice without sight of the Lease Plan(s). However there appears to no reference in the lease to 'Visitors' Parking' nor any defined usage of any such parking and, unless the Lease Plan(s) shows otherwise or a variation to the lease enacted (your lease appears not to offer the option to draw up additional regulations). The only rights, in this regard, are those shown in paragraph 2 of the Second Schedule, namely to 'to go pass and repass over and along the said entrance drive and forecourt of the Building and the approaches and accesses to the garages'. This right would, of course, be open to lessees and sub-tenants alike but would not extend to parking.

Management company refuse to claim on buildings Insurance

Q **I am asking on behalf of one of the leaseholders in our RA. The leaseholder owns a first floor flat in a small block consisting of four flats and four ground floor commercial units. Below the flat owner is a restaurant. A leak has appeared in the ceiling of the restaurant that is in all likelihood due to a leak in the central heating/hot water pipes serving the leaseholder's flat. The management company/agent of the block refuse to claim on the building insurance for the leak.**
We, the leaseholders, pay for the building insurance through our service charge, but the policy is in the name of the management company and the insurance company will not deal with the claim without the approval of the management company. The management company's reasoning is that the pipework in individual flats is the leaseholder's own responsibility (this is true) and therefore not covered by the block buildings insurance (but this is not true – we have a copy of the insurance policy cover). The management company wants the leaseholder to pay privately for the repair and damage caused (in excess of £8,000) and also suggest that we should arrange our own



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buildings insurance cover. This, of course, is not possible – no one offers buildings insurance on a leasehold flat.
I think the management company is wrong – I believe we are covered by the buildings insurance policy and the managing agents have other reasons (as in substantial financial rewards for no or low claims?) for not wishing to put through this claim. Is there anything we can do to force the management company to agree to put forward the claim?

A FPRA Hon Consultant and Insurance Expert Belinda Thorpe replies:

Your member is absolutely correct, you cannot arrange individual buildings insurance policies for flats and the policy in place should cover both the individual units and the commercial properties below for incidents such as those described.

If you can obtain a copy of the policy and schedule I could help confirm this to your member, and show where it confirms cover.

CCTV cameras

Q **Our building has the facility of CCTV monitoring and recording of the two main reception areas and the car park. A request has been received from one of the residential leaseholders to have the CCTV cameras routed to his apartment. Under the Data Protection Act I have refused but he is being quite insistent, even threatening legal action.**
Please could I have some legal guidance in this matter?

A FPRA Legal Adviser Nicholas Roberts replies:

The short answer is that I cannot see any legal basis whatsoever for your residential leaseholder to insist on this. Essentially the leaseholder would only be able to insist on this if there were something in the lease which conferred this right – and I have never seen it included in all the leases that I have looked through. The only possible basis for implying something in to a lease would be if it were necessary to give business efficacy to the lease – and that is certainly not the case here.

I should be interested to know on what conceivable basis the leaseholder claims to be entitled to this right.

Changes to windows and balconies

Q **Since taking over the day-to-day management of our block from agents we have become increasingly aware of some of the finer points of the lease between the freeholder and ourselves in respect of the 'common' areas and of the lease between the freeholder and individual apartment lessees, which of course includes ourselves.**
Our specific query relates to the fact that some lessees have at some time in the past, in contravention of their lease with the freeholder, and a deed of covenant with this company, made structural changes to their apartments, particularly in respect of windows and balcony frontages, for which they have not sought the approvals required of the freeholder, this company or the planning authorities. As the changes have been for the better generally and have not been commented on by planners visiting for other projects, or the freeholder's staff, then it has seemed best to let sleeping dogs lie.
We wonder however what liability we have as directors for work carried out by individual lessees' contractors in respect of poor workmanship having health and safety implications. For example, should a person fall through a now insecure balcony rail, could we be held liable? Also, do we assume responsibility for parts of the structure 'illegally' changed as it has now de facto become part of the building's structure, the maintenance of which is our responsibility? Finally, what should be our actions, if any, in addressing such past changes and any planned changes that we might become aware of?

A FPRA Committee Member Shaun O Sullivan replies:

Although I am not a lawyer, my reading of the Deed of Covenant between the 'Service Company' and the Lessee places, in accordance with the covenant, an obligation to 'maintain, repair, redecorate and renew the..... structure.....' In defining more closely the 'structure' it is stated to include the 'external walls' which are, again, more closely defined and are stated to include 'all windows and balconies' but not any glass contained therein which, in accordance with the First Schedule, appears to form part of that which has been demised and as such the responsibility of the lessee. I would thus see maintenance and any replacement of the windows and balconies as being the responsibility of the Service Company. You don't say what programme the Service Company – or, indeed, your former agent(s) – might have published for replacing windows and balconies over time, but I am assuming that, in view of the age of the block (40 years) and the materials which might have been used at the time, that, in meeting its obligations under the terms of this covenant, most windows and balconies would, by now, have been replaced by the Service Company or its agent(s) and probably (in view of the apparent absence of a reserve fund facility within the lease) on the basis of a rolling programme and funded through the Service Charge. And I would assume that windows and balconies replaced in this way would have been undertaken on the basis of achieving as close a design match to the original as possible or in accordance with any design agreed with the freeholder (and hopefully made known to lessees) and in accordance with building regulations.

How much VAT?

Q **I ask a question about the level of VAT chargeable when a flat roof replacement is carried out and includes insulation. It would appear there is contradictory advice whether this should be 5 per cent or 20 per cent.**

A FPRA Hon Consultant Gordon Whelan replies:

It depends. The reduced rate of 5 per cent applies for the installation of energy saving products such as insulation on roofs. However, if the insulation is supplied as part of an overall roof replacement project and the insulation is just one part of the roof replacement then the reduced rate will not apply and standard rate VAT (20 per cent) is applied to the whole cost.

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Advertisements

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Sinking fund

Q **I am the secretary of our residents association. Currently there is an amount in the service charge to go to a reserve fund, but, in the first year, it barely covers cost incurred. We have just received a long term maintenance plan (LTMP) from the managing agent and that would need the annual reserve fund contribution to be increased five-fold for the LTMP to be adequately funded. In your experience, should the reserve fund contribution levied through the service charge be such that the long term plan is adequately funded?**

A FPRA Committee Member Amanda Gourlay replies:

In general terms, the purpose of a reserve or sinking fund is to build up sufficient money in a savings account to be in a position to pay for major works, decorations or repairs that need to be done on a regular basis. To that end, a property manager will probably obtain a PPM (a planned preventative maintenance) programme, and would then incorporate the figures from that programme into what is known as a CAPEX (capital expenditure) plan.

Under the terms of your lease, the landlord is entitled to recover the costs of services that it may incur. I take the view that it is entitled to set up a reserve fund and to collect the money for that fund as part of the service charge. As to the amount demanded, it may be that the managing agent needs to spend a large amount of money on works to make up for a period of past failings to maintain the building.

It may also, however, be that the managing agent is being over-cautious, building in provision for more income than is required, and that the reserve fund budgeting should be reviewed and reduced. I would suggest that the RA asks for a meeting with the managing agent so that the reserve fund can be explained and justified – or reduced.

Taxing question

Q **We own the freehold of a block containing eight flats. The owner/residents of the flats own the company. We have recently taken control of the company. We have decided to continue paying the same maintenance charge we paid when we employed an agent. This means that our informal Roof Fund will increase by an extra £3,000 or so each year. To date, the amount accumulated has been insufficient to consider investing it to earn interest, particularly considering the level of interest rates. However, the time will soon arrive when it will make sense to do so which will give rise to interest.**

We recently received a letter from HMRC stating that we are not liable for Corporation Tax but it also refers to a liability for income tax on interest received from money held on trust and the need to prepare an Income Tax Self Assessment Form. I have spent an inordinate amount of time trying to find out what to do without success.

A FPRA Hon Consultant Gordon Whelan replies:

You will need to prepare a Trust Tax Return in respect of the interest earned on this income. However, even with funds of £3,000 the amount of interest earned in the current environment is likely to be minimal. One option for you is to write to your local HMRC tax office and describe your circumstances stating that interest earned for the coming tax year is likely to be very small and that the cost to submit a return would be disproportionate. In view of this, state that you are requesting that the Company's requirement to prepare a return is waived in the circumstances.

HMRC may agree to the request but there is no guarantee as the response seems to vary from tax office to tax office. Failing this I suggest that you appoint an experienced service charge accountant to act on your behalf.

Smoke alarms

Q **Who is responsible for the maintenance of the smoke alarms in each flat? We fully accept responsibility for the smoke alarms in the communal areas. Each flat has an individual meter box on the outside wall, the management company paints the outside of the boxes, but when broken who should stand the cost of repair?**

A FPRA Chairman Bob Smytherman replies:

I respond from a practical point of view, not a legal one.

The first question about smoke alarms in flats is a straight forward one. Smoke alarms in flats are the sole responsibility of the flat owner unless they are connected to a communal alarm system.

The individual meter box outside in the communal areas is more complicated, but my view would be that if the damage is caused by being located in the communal areas rather than damage caused by the flat owner, then repairs to the box would be a matter for the company If, however, the repairs are of a nature that can be reasonably required as a result of something exclusively caused by the flat owner, then I would suggest the responsibility would lie with them.

If you require a more specific legal response please send us more detail about the damage caused and our legal adviser can review your lease for you.

Noise nuisance

Q **We carefully read your newsletters and it is our first port of call whenever a new matter arises. However we live in a very volatile age and what might be correct procedure this week may not be available in the following one.**

This time it is a chronic (nine months) dispute between neighbours. It is alleged by the tenant in a lower flat that the tenants in the upper flat make unacceptably loud noises (mainly shouting and loud TV from about 11pm (when they return from working in a restaurant) through to 2 or 3am. I have no doubt but that it is true. Those in the upper flat have completely ignored his polite and friendly protestations, my pleas for a friendly resolution or the warnings from the managing agency. It is not only a matter of loss of sleep (health issue) but the value of his flat will be adversely affected should he decide to move out.

I advised the complainant that it was for him to deal with and advised him to get in touch with the local Environmental Health Department, keep a diary and get some practical evidence. Although he has kept a diary, he claims it is for the directors to do more as it is a breach of

the lease. The managing agency have now offered to get in touch with their solicitor. It may come to this but there must be other steps yet to be taken. The Environmental Health Dept should be able to get decibel readings and actual frequency of any noise and with such hard evidence the matter might be brought to an end.
What more can and should the directors do? Do such breaches of the lease warrant the intervention of the company or does it remain a private matter.

A FPRA Committee Member Bob Slee replies:
The Environmental Health Department route is of course available to anyone in a situation such as you describe. However, one of the advantages of living in a residential leasehold development is the additional protection of the restrictive covenants contained in the lease. These reflect the particular obligations of flat dwellers inevitably living cheek by jowl with their neighbours. In all situations it is of course better to deal with difficulties and disputes informally and on a neighbourly basis but you have indicated that this has failed in this case and nine months is a long time to endure continued nightly disturbance.
In your lease the specific covenants restrict a lessee from using the flat "for any purpose from which a nuisance shall arise to the lessor or the lessees or occupiers of the other flats comprised in the property". More specifically, it requires

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lessees "to take every precaution for ensuring quietness in the property and in particular not to permit any musical instrument, radio, television or such like equipment to be played ..... so as to cause annoyance to the lessees or occupiers of other flats comprised in the property".
The arrangements regarding enforcement of these covenants are covered in a schedule of your lease, which requires the lessor to enforce the covenants if required to do so by a lessee. However, the lessee requesting enforcement is required by the lease to indemnify the lessor against all costs and expenses arising from pursuing enforcement. This is very common practice in residential leases.
If the lessee requiring action is prepared in principle to agree to the necessary indemnity then the prospect of imminent and potentially costly legal action should be drawn to the notice of the lessee responsible for the nuisance. This could be sufficient to resolve the issue without a penny being spent. On the other hand, if the nuisance persists the matter should be referred to a solicitor whose first task would be to draw up the necessary indemnity documents.
However, if the complainant lessee is not prepared to indemnify the lessor then his only recourse would appear to be via the Environmental Health Department, in which case there is no reason for the lessor to become involved in that procedure.

The letters above are edited. The FPRA only advises member associations – we cannot and do not act for them. Opinions and statements offered orally and in writing are given free of charge and in good faith, and as such are offered without legal responsibility on the part of either the maker or of FPRA Ltd.

A MESSAGE FROM OUR TREASURER

FPRA Honorary Treasurer Patrick Gray says: "We are still in need of volunteers from the membership to help in various areas. With more volunteers we could reduce some costs, but even more important is securing membership (both new and renewal). Just 30-40 extra members would have been the difference between a loss and break even" (in the last financial year's accounts).

Data Protection

Concern is growing among some members about how flat management companies will be affected by the EU General Data Protection Regulation (GDPR) which becomes law on May 25, 2018. One member asks what will be the impact for [corporate] members and their directors who run self-managed blocks of flats and therefore manage in electronic form a variety of personal data belonging to their shareholders/residents? We are seeking to establish clear information for our members – and indeed for ourselves – but this is difficult as the actual legislation and rules are not completely finalised. We intend to give guidance to our members in a future issue. If any of our members have particular knowledge and expertise in this area, we would be grateful for your help.

FPRA PUBLICATIONS

All FPRA publications are now available as a PDF download.

Following requests from members and purchasers alike we have made all our publications available as a PDF download. For members these are free but for non-members the normal fee is payable.

Your committee has decided to no longer print our publications, as the relatively small print runs are expensive and the committee determined to reduce our costs to help keep our fees as low as possible. We do have stocks which we will send out on request until they are exhausted. Please quote invoice number, the address on the invoice will be used.

Please contact the FPRA office (details below) if you have any questions about your purchase.

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Contact details:
The Federation of Private Residents' Associations Limited, Box 10271, Epping CM16 9DB
Tel: 0371 200 3324 Email: info@fpra.org.uk
Website: www.fpra.org.uk
If telephoning the office please do so weekday mornings.

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