FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**BIR/00CT/LIS/2018/0058**
Properties	**:**	**The leasehold dwellings situate at Portershill Drive, Shirley, Solihull, B90 4DS**
Applicants	**:**	**The leaseholders listed in the Schedule hereto**
Representative	**:**	**Mr William Kelley**
First Respondent	**:**	**Danesdale Land Limited**
Second Respondent	**:**	**Warwickshire Hamlets Limited**
Representative	**:**	**Counsel – Ms Julia Petrenko of Falcon Chambers, instructed by Sampson Coward LLP**
Type of Application	**:**	**Applications under sections 27A and 20C of the Landlord and Tenant Act 1985 for a determination of liability to pay and reasonableness of service charges and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002**
Tribunal Members	**:**	**Judge M K Gandham** **Mr I P Taylor FRICS**
Date and venue of Hearing	**:**	**7th January 2019** **Centre City Tower, 5 – 7 Hill Street, Birmingham B5 4UU**
Date of Decision	**:**	**5 March 2019**

DECISION

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Introduction

1. On 17th September 2018, the Tribunal received an application from the leaseholders of Portershill Drive ('the Applicants') under section 27A of the Landlord and Tenant Act 1985 ('the Act') to determine whether the service charges demanded for the service charge periods from 1st April 2012 to 31st March 2019 were payable (and the amounts which were reasonably payable) in respect of the leasehold dwellings at Portershill Drive, Shirley, Solihull, B90 4DS ('the Properties'). In addition, the Applicants made applications under 20C of the Act and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ('the 2002 Act') in respect of the landlord's costs.

2. The Applicants are the current leaseholders of the Properties under various subleases ('the Subleases') of the properties at Portershill Drive, comprised in the development previously known as Rosedale ('the Development'). The Subleases were made between Piper Land Development Limited, the Second Respondent and the original lessees of the Property. The terms of the Subleases are those as set out in a standard form of lease ('the Standard Lease') attached to the headlease ('the Headlease') dated 28th January 1986 made between Piper Land Development Limited and the Second Respondent.

3. The Headlease demised to the Second Respondent all of the common parts, grounds, a flat for occupation by a warden and a guest room. The First Respondent is the current lessor under the Headlease, being the freehold owner of the Development.

4. Following Directions issued by a Procedural Judge, it became clear that the issue under dispute for each of the service charge years concerned a single item of expenditure, namely the rent payable under the Headlease for the common parts. This was initially detailed in the invoices as rent for the 'Wardens Flat' and later, in the 2017/18 invoices, referred to as rent payable under the 'Common Parts Lease'.

5. The Tribunal received correspondence from both parties and a bundle of documents, jointly, from the First Respondent and Second Respondent ('the Respondents'). The matter was listed for an inspection, followed by an oral hearing, to take place on 7th January 2019. Further Directions were issued on 11th December 2018, refusing permission for the First Respondent to adduce expert evidence.

Inspection

6. The Tribunal inspected the Properties on 7th January 2019 in the presence Ms. Petrenko, on behalf of the Respondents.

7. The Development is accessed from Tanworth Lane in Shirley and comprises: the Properties, shared gardens, an estate road, footpaths, garages, parking spaces, an office, a common room, a guestroom, a

laundry room, a warden's flat and all other common areas intended for the common use of the owners or occupiers of the Properties.

8. The Tribunal inspected the common areas and grounds including the garage area and parking spaces. The common room, office and guest room were all located within the same building at ground floor level. The common room contained a small kitchen and w.c. and the guest room included a small en-suite bathroom. The warden's flat was located on the first floor of the same building (above the guest room) and comprised two bedrooms, a bathroom and a fair sized lounge/diner with kitchen. The laundry room was located at the rear of the building.

The Law

9. The Act (as amended) provides:

Section 27A Liability to pay service charges: jurisdiction

(1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to –

(a) the person by whom it is payable,
(b) the person to whom it is payable,
(c) the amount which is payable,
(d) the date at or by which it is payable, and
(e) the manner in which it is payable.

(2) Subsection (1) applies whether or not any payment has been made.

(3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs, and if it would, as to –

(a) the person by whom it is payable,
(b) the person to whom it is payable,
(c) the amount which is payable,
(d) the date at or by which it is payable, and
(e) the manner in which it is payable.

(4) No Applications under subsection (1) or (3) may be made in respect of a matter which –

(a) has been agreed or admitted by the tenant,
(b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
(c) has been the subject of determination by a court, or
(d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.

(5) But the tenant is not to be taken as having agreed or admitted any matter by reason only of having made a payment.

…

Section 20c Limitation of service charges: costs of proceedings

(1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before….the First-tier Tribunal….are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or person specified in the application.
…

10. Paragraph 5A to Schedule 11 of the 2002 Act (as amended) provides:

Limitation of administration charges: costs of proceedings

(1) A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.
(2) The relevant court or tribunal may make whatever order on the application it considers to be just and equitable
…

The Headlease

11. In the Headlease, the then lessor demised to the Second Respondent (referred to in the Headlease as 'the Management Company') all of the common parts, gardens and grounds, Plot X (the warden's flat), the guest room and the parking spaces (as defined in the Standard Lease), together with rights set out in the First Schedule to the Headlease, but excepting and reserving the rights set out in the Second Schedule. The premises were demised for a term of 99 years from 29th September 1984, with the yearly rent being payable by two equal instalments, on 31st March and 21st September each year.

12. The rights in the First Schedule related to the use of services and service installations, access on to the Properties and rights of support. The rights reserved, detailed in the Second Schedule, were for the benefit of the Properties and the lessor. These were in respect of services, access for maintenance, rights of way, rights to use the parking spaces, gardens and grounds, rights to use the refuse receptacles and the drying area and the right to connect to any television aerial. Rights of support and shelter were also reserved, together with rights to use the guest room in the terms detailed in the Standard Lease.

13. Clause 3 of the Headlease confirmed that the yearly rent was "*until the first Review Date the rent of £3,010*". It confirmed that in each successive review period the rent was to be equal to the rent previously payable or such increased revised rent to be ascertained under the provisions of the Headlease.

14. Clause 1.8 confirmed that the " "*Review Date" means the 29th day of September in the year 1988 and in every third year thereafter* " and that the *" "Review Period" means the period starting with any Review Date up to the next Review Date or starting with the last Review Date up to the end of the term hereof* ".

15. Clause 4 details the provision for the revision of the rent and confirms that the same "*may be agreed at any time between the Lessor and the Management Company or (in the absence of agreement) determined not earlier than the relevant Review Date at the option of the Lessor either by an arbitrator or an independent valuer (acting as an expert and not as an arbitrator)...*"

16. Clause 4.1.2 confirmed that one of the assumptions in ascertaining any revised rent was that the demised premises were "*available to let by a willing landlord to a willing tenant as a whole without a premium but with vacant possession and subject to the provisions of this lease (other than the amount of rent hereby reserved but including the provisions for rent review) for a term equal to the original term of this lease*".

17. In clause 6.7 of the Headlease, the Second Respondent covenants as follows:

    "*6.7 The Management Company shall not assign transfer underlet part with or share the possession or occupation of the premises hereby demised or any part thereof except that: -*

    6.7.1 The Management Company shall be permitted to enter into leases of the Properties in the standard form of lease

    6.7.2 The Management Company may assign this lease to any other person approved by the Lessor (such approval not to be unreasonably withheld) who takes over the functions of the Management Company".

18. The "*Properties*'" referred to in the Headlease are defined in clause 1.4 as "*the self-contained dwellings and garages comprised in the Development being those parts of the Buildings which are intended to be demised to individual lessees by the definition contained in the Third Schedule to the standard form of lease*".

19. The standard form of lease is the Standard Lease and the definition of the "*Properties*" and "*Development*" referred to in the Headlease correspond with the definition of the Properties and Development in this Decision.

The Standard Lease

20. The leases of the Properties are, the Tribunal was informed, in the same terms and format as the Standard Lease. The Standard Lease confirms that the premises are demised for a term of 99 years from 29th September 1984 subject to a yearly rent of £50 from the date of the lease

until 29th September 2017, from 29th September 2017 until 29th September 2050 a yearly rent of £75 and from 29th September 2050 for the remainder of the term the yearly rent of £100.

21. The lessee covenants, for the mutual protection of the freeholder and Management Company, to observe and perform the obligations on the part of the lessee detailed in the Eighth Schedule. In Part One of the Eight Schedule, the lessee covenants with the freeholder:

> *"1. To pay the rent reserved by this Lease as provided in this Lease without deduction"*

and in Part Two of the Eight Schedule, the lessee covenants with the Management Company:

> *"5. To pay and discharge all rates taxes assessments charges duties and other outgoings whatsoever whether parliamentary parochial or of any other kind which now are or during the said term shall be assessed or charged on or payable in respect of the Property or any part of it or by the landlord tenant owner or occupier in respect of it*
>
> *6. To pay to the Management Company the Lessee's Proportion of the Maintenance Expenses as provided in the Seventh Schedule above and also to pay any value added tax applicable".*

22. The "Maintenance Expenses" are defined as "*the money actually expended or reserved for periodical expenditure by or on behalf of the Management Company and all times during the term hereby granted in carrying out the obligations specified in the Sixth Schedule below*".

23. The Sixth Schedule details the services, which include (amongst others):

> "*9. Paying all rates taxes duties and charges assessments and outgoings whatsoever (whether parliamentary parochial local or of any other description) assessed charged imposed upon or payable in respect of the Maintained Property or any part of it except in so far as the same are the responsibility of the individual lessees of any of the Properties*
>
> …
>
> *12. Employing a Warden who will reside in Plot X and providing a relief warden service if the Warden is not available…"*

24. The "Maintained Property" is defined in the Second Schedule and encompasses the whole of the development not comprised in the Properties, including the whole of the common parts, Plot X, the guest room, the laundry room, the garden store, the office, parking spaces, gardens and grounds.

Hearing

25. Following the Inspection, a hearing was held at the Tribunal's Hearing rooms at City Centre Tower, Birmingham. Mr Kelley, the Applicants' Representative, attended on behalf of the Applicants and was accompanied by Mrs Howe (No. 14), Mrs Meldrum (No. 16) and Mr Weston (No. 30). Ms. Petrenko attended on behalf of the Respondents.

The Applicants' submissions

26. The Applicants submitted that, prior to proceedings, none of them had viewed a copy of the Headlease and were unaware of any provisions detailed in the same.

27. They stated that the application related to charges for payment of rent for the "Wardens Flat" and that they had kept their application to that single issue, despite the fact that there are other issues concerning the management that they were not happy with. They further confirmed that their application related only to the rent being charged, not any other matters which might have been comprised in the "Warden's building costs" as itemised in the accounts.

28. The First Respondent issued the invoices relating to the rent to the Second Respondent, who then included this charge as part of the maintenance expenses payable by the Applicants.

29. They referred to the Sixth Schedule of the Standard Lease and, in particular, paragraph 12 and pointed to the fact that the obligations only referred to the cost of employing a warden and no mention was made of the lessees' payment towards the rent of Plot X (the warden's flat) or any of the communal areas. They submitted that they did not believe that such rent was payable by them.

30. In addition, they stated that, if such rent was payable, the amount charged was excessive. They pointed to the fact that the initial rent started at £3,010 and that, if adjusted in line with any increase in RPI, by 2018 the amount payable would have only increased to £8,563.45. As such, they believed that the rental figure was unreasonable.

31. They stated that no previous rent could have been agreed with any resident's association as the residents' committee had only been set up in 2018.

32. Finally, they stated that it was not satisfactory for any rent of the common areas to be valued at a market rent as it was as it was not possible for them to let out those areas as they were for the use of the residents only.

33. They confirmed that they should not be liable for either of the Respondents' costs in making the application, whether by way of service charge or otherwise.

The Respondents' submissions

34. Ms Petrenko confirmed that the First Respondent had purchased the freehold of the Development in November 2014. She confirmed that the Development consisted of 35 residential units let on standard leases.

35. She stated that the reference in the initial invoices to rent for the "Warden's Flat" related to the rent payable by the Second Respondent to the First Respondent for the common parts of the Development under the Headlease.

36. She stated that, when the First Respondent had first acquired the freehold, it was advised that the rent had last been agreed in 2012 with the Residents' Association at £16,550 per annum. She stated that a review was due in 2015; however, the First Respondent had been informed that there had been no increase in the market rent and so the review was not undertaken. As such, she stated that the rent at all material times, for the purposes of the application, was the sum £16,550 per annum.

37. In relation to whether such sum was payable as part of the service charges to the Applicants, Ms Petrenko submitted that the payment fell within the provisions of paragraph 9 of the Sixth Schedule to the Standard Lease, which imposed on the Second Respondent a duty to pay:

    "*all rates taxes duties and charges assessments and outgoings whatsoever (whether parliamentary parochial local or of any other description) assessed charged imposed upon or payable in respect of the Maintained Property or any part of it except in so far as the same are the responsibility of the individual lessees of any of the Properties*"

    She stated that as the rent under the Headlease was an outgoing payable in respect of the Maintained Property and was not the responsibility of the individual lessees, the Second Respondent was entitled to recover this, as a service charge, as part of the Maintenance Expenses.

38. She referred in her submissions to the decision of the Upper Tribunal in *Warwickshire Hamlets Limited v Gedden & Others* [2010] UKUT 75 (LC) ('*Gedden*'), in which the Second Respondent was also a party. In that case, which appeared to have very similar facts to the current application, the lessees had brought a similar action contending that they were not liable to pay the rent under a lease of common parts, which also had an initial rent of £3,010. The decision of the LVT, whose decision was subsequently upheld by the Upper Tribunal, was that such rent was not payable as part of the service charge.

39. The Upper Tribunal appeared to base their reasoning on two points. Firstly, it stated that a specific obligation for the lessees to pay the rent was detailed in paragraph 1 of the Eighth Schedule – this related to the payment of the rent detailed in their actual lease. Paragraph 5 of the Eighth Schedule then imposed an obligation on the lessees to pay a

variety of other outgoings. Paragraph 5 of the Eighth Schedule to that lease was, we are informed, identical to the paragraph 9 of the Sixth Schedule of the lease, which imposed on the management company an obligation to pay "*all outgoing whatsoever*". Although the Upper Tribunal accepted that the word "*whatsoever*" was intended by draftsmen to show that the greatest width was intended, HHJ Hutchinson stated:

> *"...the fact remains that paragraph 9 of the Sixth Schedule must be construed within the context of the lease in which it appears."*

He went on to say:

> *"Where the draftsman wishes to include an obligation to pay rent he does so expressly, and the express provision in paragraph 1 indicates that rent is not embraced within the otherwise wide wording of paragraph 5. The question then arises as to whether, although effectively identical wording in paragraph 5 of the Eighth Schedule does not include an obligation to pay rent, the wording in paragraph 9 of the Sixth Schedule does include an obligation to pay rent, namely the common parts rent. I see no reason to construe two effectively identical provisions as in the one case including an obligation to pay rent and in the other excluding an obligation to pay rent."*

40. Secondly, the Upper Tribunal stated that, because in the Ninth Schedule the freeholder covenants to observe and perform the covenants on the part of the management company, which included the obligations referred to in the Sixth Schedule, the obligations in the Sixth Schedule must be equally capable of working irrespective of who was providing the services. If the freeholder was performing the obligations, then there would be no common parts rent as no common parts lease would exist. In this case, if a rent was to be payable for the common parts, then the lease would have to specifically detail a notional rent. Instead, he believed, that the picture conveyed by the occupational leases was that:

> "*in return for the lessees' premiums and ground rent, the Freeholder is making available to the other parts of the development*".

41. The Upper Tribunal concluded:

> *" For all of the foregoing reasons I conclude the LVT was correct in finding that the common parts rent payable by the management Company to the Freeholder is not an item which can be included in the Maintenance Expenses and recovered from the lessees."*

42. Ms Petrenko invited the Tribunal to reach a different conclusion to that reached by the Upper Tribunal. She referred to *Lewison on the Interpretation of Contracts (6th Edition)* at 4.07 which stated:

> *"Since the interpretation of a contract is a question of law, it follows that the decision of the court is, in theory, a binding authority. However, it is an authority which can easily be distinguished.*

...
In Pedlar v Road Block Gold Mines of India Ltd, Warrington, J said:

"In a question of construction, no judge is bound by the decision of another judge. He is obliged to express his view of the meaning of the document which he has to construe, and in expressing that view, in my opinion, he is not bound by the view of somebody else. I remember hearing Sir George Jessel say that he should not regard himself bound by the decision of a previous judge on the construction of the identical document and the identical passage of the document which he had to construe." "

As such, Ms Petrenko contended, that all leases must be construed separately.

43. She believed that the provisions in the Standard Lease could, and should, be distinguished from the decision in *Gedden*. She stated that Paragraph 1 of the Eighth Schedule to the Standard Lease referred to the payment of 'rent' to the freeholder. She contended that the payment of any headlease rent was not 'rent' in the strict sense of the word but rather formed part of the Maintenance Expenses payable to the Second Respondent. Paragraph 9 to the Sixth Schedule referred to all "*outgoings whatsoever*" and she submitted that this would include the rent under the headlease, as an 'outgoing' in respect of the Maintained Property and, as such, was not payable as 'rent' and would not be defined as such in the lease provisions.

44. In relation to the second conclusion reached by the Upper Tribunal in *Gedden*, she stated that just because Headlease rent *may* not be payable, did not mean that if it *was* payable the Second Respondent was not entitled to recover it as an outgoing. She stated that a lease could provide for the recovery of expenses, but not for overheads. In the present case, rent was payable by the Second Respondent and therefore was an outgoing which fell within paragraph 9 of the Sixth Schedule.

45. In relation to the reasonableness of the rent under the Headlease, Ms Petrenko stated that the rent had not been reviewed in 2015. She confirmed that the First Respondent had obtained a report from an expert; however, the Procedural Judge had not allowed the report to be submitted. She stated that the report had valued the market rent at around £19,000. As such, she stated that the rent was at or below market value and, consequently, was reasonable and payable under the terms of the leases.

46. In relation to the sum payable for the year ending 31st March 2013, she stated that the accounts, mistakenly, detailed the rent payable under the Headlease as £16,400, rather than the £16,550. She confirmed that the Respondents were not looking to recover any additional sum.

47. In relation to the year ending 31st March 2016, she stated that the management company had erroneously only charged only one of the two

rent invoices, being the sum of £8,275. Again, she confirmed that the Respondents were not looking to recover the additional sum.

48. In relation to the year ending this 31st March 2017, she referred to the Second Respondent's Comments (contained within the Respondents' Bundle), that a sum of £50 ground rent had been erroneously billed for Flat 6 (Plot X) and that they were going to refund the same. The Applicants confirmed that they had not yet received any refund. In addition, the Second Respondent's Comments referred to a sum of £70 for a "summons", which the Second Respondent's assumed should also be refunded.

49. On questioning by the Tribunal, Ms Petrenko confirmed that she was not able to show any evidence that a formal review of the rent payable under the Headlease had in fact occurred, by way of a memorandum of rent review or otherwise. She stated that the only information she had regarding the same was that supplied by the First Respondent in their Statement of Case.

50. She stated that she was not able to confirm what had happened in 2012 and that she had no evidence of the agreement of the rent at £16,550 with the residents' association.

51. Although the Tribunal did not allow the experts' report to be submitted in evidence, the Tribunal referred Ms Petrenko to the letter from the First Respondent dated 21st December 2018, received by the Tribunal on 27th December 2018. This detailed the calculation of the rent payable under the Headlease at between £16,800- £18,400, but this included market rental figures for leasing the warden's flat and the guest room, which by themselves amounted to the sum of £13,200, something which did not appear to be permitted under the terms of the Headlease. Ms Petrenko was unable to comment in relation to the same.

52. In relation to the issue of costs, Ms Petrenko stated that although paragraph 9 of the Sixth Schedule did not refer to legal costs specifically, she believed that the generality of the clause would allow the recovery of the same and that the Respondents' costs should be recoverable from the Applicants.

The Tribunal's Determination

53. The Tribunal considered all of the written and oral evidence submitted and summarised above.

54. In relation to whether the rent payable under the Headlease falls within the definition of Maintenance Expenses under the Standard Lease and, accordingly, under the various leases to the Applicants, the Tribunal notes Ms Petrenko's submissions in relation to the fact that each lease must be construed on its own terms.

55. Ms Petrenko referred to the decision of the Upper Tribunal in *Gedden*, and supplied a copy of that decision within the Precedent's bundle she

provided at the Hearing. Although a copy of the lease referred to in that case had not been supplied, it appears that the provisions in the lease were extremely similar, if not identical, to those in the Standard Lease, as was the question before the Tribunal. That being the case, the Tribunal notes the comments of Warrington J in *Pedlar v Road Block Gold Mines of India Ltd* and, although bound by decisions made by the Upper Tribunal, agrees with Ms Petrenko, in that, each matter must be decided on the facts of that particular case and the construction of the particular lease in question. Bearing this in mind, however, the decision of the Upper Tribunal in *Gedden* is compelling and the Tribunal comes to the same conclusion, namely, that the Tribunal does not consider the wording of paragraph 9 of the Sixth Schedule to include any rent payable under the Headlease.

56. The Sixth Schedule sets out all of those items which are referred to as Maintenance Expenses. It specifically sets out, amongst other things, obligations to repair, decorate, clean and insure the Maintained Property. Clause 9 is a more general clause in relation to outgoings and other charges. The Tribunal would consider that if the Maintenance Expenses were to have included the rent under the Headlease, it would not have been included as part of this general clause, but, as this was an item of expenditure which was known and definable - such as the insurance - it would have been clearly set out in the Schedule.

57. In addition, unlike most subleases, it is notable that the Standard Lease does not refer to the Headlease at all. Should the draftsman have intended that any of the rental provisions in the Headlease be relevant to the Standard Lease, the Tribunal considers that there would be a reference to the Headlease in the Standard Lease.

58. The Tribunal agree with the Applicants that paragraph 12 of the Sixth Schedule, which referred to the employing of a warden who would reside in Plot X, clearly did not include any provision for the payment of any rent for that accommodation by the Applicants as part of the Maintenance Expenses. Again, this would have been something which could have easily been included in this paragraph should the draftsman have intended the same.

59. As such, the Tribunal does not consider that the Applicants are liable for any rent payable under the Headlease as a service charge recoverable as part of the Maintenance Expenses.

60. Had the Tribunal considered that the rent payable under the Headlease was payable as part of the service charge, the Tribunal would have asked the parties to note two further points. Firstly, there appears to be no evidence of the fact that any formal rent review had taken place, as per the provisions clause 4 of the Headlease. Without such, any increased rent would not be payable until this error in procedure had been rectified.

61. Secondly, the Tribunal considers that there was an error in the calculation of the market rental figure for the rent payable under the

Headlease. There are clearly no provisions that the rent should be in line with any increase in the RPI (as proposed by the Applicants), however, clause 4.1.2 of the Headlease clearly states that in any review there is an assumption that the provisions of the Headlease apply. Clause 6.7 of the Headlease does not allow for the renting of any part of the common areas and, as such, the inclusion of market rentals figures for the warden's flat and guest room (which together amounted to a sum of £13,200) should not have been included when assessing the rent payable. As such, the rental figure might have been considered unreasonable.

62. In relation to legal costs, the Tribunal does not share Ms Petrenko's view - that the generality of paragraph 9 of the Sixth Schedule would allow the same; in any event, the Tribunal orders, under Section 20C of the Act, that any such costs are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the Applicants. In addition, the Tribunal does not consider that it would be just and equitable for the Applicants to pay any administration charges in respect of litigation arising from this application and hereby orders, under paragraph 5A of Schedule 11 to the 2002 Act, that the Applicants are not liable to pay for any such charges.

63. The Tribunal notes that a sum of £16,400, not £16,550, was charged in both the years ending 31st March 2013 and 31st March 2014 for the rent under the Headlease.

64. The Tribunal has not been provided with a copy of each of the leases for the individual Applicants nor a copy of the service charge demands for the years in question; however, confirms that the following sums do not form part of the service charge and are not payable as part of Maintenance Expenses for which the Applicants' are liable:

Service Charge Accounts - Year ending 31st of March 2013

£16,400 (item referred to as Warden's Buildings Costs)

Service Charge Accounts - Year ending 31st of March 2014

£16,400 (from the item referred to as Warden's Buildings Costs)

Service Charge Accounts - Year ending 31st of March 2015

£16,550 (from the item referred to as Warden's Buildings Costs)

Service Charge Accounts - Year ending 31st of March 2016

£8,275 (from the item referred to as Warden's Buildings Costs)

Service Charge Accounts - Year ending 31st of March 2017

£16,550 (from the item referred to as Warden's Buildings Costs)
£50 (from the item referred to as Warden's Buildings Costs -the erroneous charge for the ground rent for Flat 6 (Plot X))

£70 (for the erroneous charge for the Council Tax summons)

Service Charge Accounts - Year ending 31st of March 2018

£16,500 (item referred to as Rent of communal facilities to include wardens flat)

Appeal Provisions

65. If either party is dissatisfied with this decision they may apply to this Tribunal for permission to appeal to the Upper tribunal (Lands Chamber). Any such application must be received within 28 days after these written reasons have been sent to the parties (Rule 52 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013).

M. K. GANDHAM
....
Judge M. K. Gandham

Schedule

2	Brian and Mary Allcott
4	Doreen James
10	Margaret Herbert
12	Rita Bartlett
14	Pat Howe
16	Rob and Maureen Meldrum
18	Jean Hemmings
22	June Knibb
24	Wally and Sandra Turner
26	Pat Zambra
28	Tess Lambert
30	Peter Weston
32	William and Lesley Kelley
38	David and Lorraine Brett
40	Doreen Waldron
42	Gina Newberry
44	Vince and Ann Quin
17	Alan and Katherine Redwood
19	John and Ann Humphries
21	Della Simmonds
23	Marianne Leech
25	Jenny Thomas
31	Joan Sabin
33	Richard and Maureen Rowley
35	Ruby Eley
37	Lilian Hadley
39	Gayle Hawtin