

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference LON/00AH/LSC/2019/0076 :

Flat 2, Dudley Court, 29 Howard **Property** :

Road, London SE25 5BU

Applicant Mr David John Hayden :

Mr Alan Jackson of Alan Jackson Representative :

Surveyors

Dudley Court Management (RTM) Respondent :

Limited

Ms J Penrose of HML Group Representative

(managing agents)

For the determination of the

Type of Application reasonableness of and the liability :

to pay a service charge

Tribunal Judge Prof R Percival Tribunal Members :

Mr M Cairns MCIEH

Date and venue of

Hearing

10 Alfred Place, London WC1E 7LR

Date of Decision 12 September 2019 :

DECISION

The application

- 1. The Applicant seeks a determination pursuant to section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to whether service charges were payable in respect of the service charge years 2017 (from 1 July), 2018 and 2019.
- 2. The relevant legal provisions are set out in the Appendix to this decision.

The property

3. The property is a ground floor flat in a purpose built block, apparently dating from the 1990s. There is a total of 7 flats in the block.

The lease

- 4. The lease is for a term of 125 years from 1999. The lease provides for the tenant to pay a service charge in advance each half-year, payable on the 1 January and the 1 July, being the estimated proportionate share of the cost of the landlord in discharging its obligations under the sixth schedule. The provisions relating to the advance payments allow for the reconciliation of over and under payments. The tenant is also required to pay the landlord the net amount, if any, that appears on the annual certificate of its costs (clause 3, fourth schedule paragraphs 10 and 11).
- 5. The landlord's obligations to insure are set out in paragraphs 1 and 6(a) of the sixths schedule. The landlord also covenants to keep "in good and tenantable repair and decorative order" the retained parts (paragraph 5), and the structure and the exterior, including the roof and foundations and the common parts (paragraph 6(c)). The landlord is responsible for cleaning and lighting the entrance hall, passage ways, grounds etc.
- 6. The landlord, by paragraph 7 of the sixths schedule, covenants to keep proper books of accounts relating to the obligations in the schedule and the management and administration of the block, and, once a year, to certify the total amount of the costs, and the proportionate amount due from the tenant, taking into account payments in advance.
- 7. Each flat contributes equally (fourth schedule, paragraph 10).
- 8. There are no express provisions as to addresses for service of service charge demands or other documents or notice.

The hearing and the issue

- 9. Mr Jackson represented the applicant, Mr Hayden. Mr Hayden attended and gave evidence. The respondent was represented by Ms Penrose of the respondent's managing agents, HML Group. Ms Patel, also of HML, gave evidence.
- 10. At the start of the hearing, it was agreed that the only substantive issue on this application was whether the service charge demands from I July 2017 to date had been served on the applicant.
- 11. We note at this point that the bundle prepared by Mr Jackson for the applicant was inadequate and inappropriate. It was not properly paginated and indexed, and the applicant did not reproduce the documents annexed to the respondent's statement of case as he received them. Some were missing altogether, and others had been reproduced elsewhere. The respondent's statement of case was largely illegible if, as Mr Jackson said, that was how he received it, he should have asked for another copy.
- 12. Much more importantly, an entire section of the bundle was devoted to reproducing "without prejudice" documents. The Tribunal did not read these documents, and at the start of the hearing the respondent confirmed that they were prepared for the hearing to continue despite their inclusion. The Tribunal had also inadvertently read of a conversation, the contents of which indicated that it, too, was entered into on a "without prejudice" basis, which was related in a document provided by the applicant in the bundle (headed "summary, background and applicants secondary statement"). We brought this to the respondent's attention, and they again indicated that they were prepared for us to continue.
- 13. Mr Jackson is not a lawyer, but he is a professional property surveyor who, in this case, undertook property management on behalf of Mr Hayden. He should have been aware of the import of "without prejudice" letters and conversations, and if he were not, he should have taken appropriate advice.
- 14. As a result of the defects in the bundle, we felt it necessary to allow a number of documents to be provided during the course of the hearing in order to deal fairly with the competing contentions of the parties.

Background

15. A previous application had been made in respect of earlier years. The application relied on similar arguments to those advanced before us. In a decision of 13 February 2018 (LON/00AH/LSC/2017/0356), the Tribunal struck out the application on the basis that the liability of the applicant had been determined by a series of county court judgments. The service charges covered were those from 2010 to the first advance service charge demanded in 2017.

- 16. The instant application was therefore limited to the second advance service charge for 2017, demanded in July of that year, and included the advance service charges for 2018 and 2019.
- 17. The applicant had, in addition, made an application for the appointment of a manager under Landlord and Tenant Act 1987, section 24 (LON/00AH/LVM/2019/0008). At the directions hearing on 25 April 2019, that was stayed until the conclusion of this application.
- 18. The respondent Right to Manage company has been responsible for the management of the building (save for collection of ground rent) since 2009. In that time, there have been a number of managing agents. Initially, it appears that Hayson Property Management Ltd were engaged, then a company called Robinsons. In late 2014, Gordon and Co succeeded Robinsons. HML Group took over Gordon and Co in 2017, and have acted as managing agents since.
- 19. It is not contested that the applicant has never lived at the property.
 - The proper address for service
- 20. We heard a considerable amount of oral evidence in addition to the documentary material in the bundle, and that handed up. . It is neither practicable nor necessary to set out all of the evidence. In this decision, we briefly summarise the competing cases, and then give a broad overview of some of the key evidence, and of our findings of fact, where it is necessary to do so. We then set out our conclusions and considering the consequences of them.
- 21. Both parties accepted that the right approach was to determine what was Mr Hayden's last known or usual address.
- 22. The respondent's case was that that address was 115 Hazelwood Lane, London N13 5HH. They relied on a letter dated 21 May 2007 from Mr Jackson. The letter is in response to a county court judgment entered against Mr Hayden, who, the letter states, "is our client in this matter". The second paragraph of the letter stated that "At the time that the property was bought the solicitors advised all parties that this was a Buy to Let property". The letter goes on to express surprise that the correspondence had been directed to the property, and ends thus: "Would you please note that Mr Hayden's address is 115, Hazelwood Lane, London N13 5HA". The respondent contends that this is therefore the proper address for service.
- 23. The respondent notes incidentally that the Hazelwood Lane address is that given for Mr Hayden on the proprietorship register at HM Land Registry.

- 24. The applicant's case was that Mr Hayden did live at the Hazelwood Lane property, but moved later in 2007. Mr Jackson said that at that time, the managing agent had asked Mr Jackson for Mr Hayden's address specifically so that Mr Hayden could confirm to the managing agent that Mr Jackson was indeed representing him. He said that Mr Hayden had confirmed that Mr Jackson acted for him, and subsequently all correspondence on ordinary management matters had been sent to him (but not, it appears, service charge demands). Mr Jackson relied on the fact that there had been considerable correspondence between him and successive managing agents and/or the RMT in the intervening period as indicating that they understood that he acted for Mr Hayden.
- 25. Mr Hayden gave evidence at the hearing and confirmed that Mr Jackson had managed the property for him. He did not recall specifically whether he had replied to an enquiry about Mr Jackson representing him in 2007. At some point, he signed a power of attorney in favour of Mr Jackson. He moved abroad in 2014, returning only recently to the UK. Overall, the evidence tends to suggest that a power of attorney was signed when he moved overseas.
- 26. The existence and extent of any power of attorney provided by Mr Hayden to Mr Jackson was the subject of competing evidence and submissions.
- 27. In the context of these proceedings, solicitors acting for HML questioned the extent of a power of attorney in a letter to the Tribunal dated 22 May 2019. The power of attorney referred to was dated 27 August 2017. The issue they raised related to Mr Jackson's standing in these proceedings, a matter dealt with subsequently and no longer relevant. It indicates that the respondent had sight of that power of attorney at that time.
- 28. There was however a factual dispute between the parties as to whether a power of attorney had been sent to HML on 22 September 2018. A copy letter of that date was produced by the applicant, which states that it covers a number of documents, including a current power of attorney.
- 29. The respondent deny that they received that letter, and note that, unlike other correspondence at around the same time, the respondent did not produce proof of receipt in the form a post office "signed-for" receipt. We should add that neither party sought to impugn the honesty of the other.
- 30. The respondent's summary of case refers to and exhibits a letter from Mr Jackson dated 14 August 2017, covering a power of attorney. We are left in some doubt as to whether this letter was correctly dated. However, for the reasons we set out below, we do not consider it necessary to come to findings of fact on these disputed matters.

- The evidence of Ms Patel, who has been property manager for Dudley Court since October 2018, included an explanation of the systems used by both HML and Gordons for issuing service charge demands and handling correspondence. The management computer system they used included an address for each leaseholder, and automatically generated service charge demands which were sent to that address. In respect of correspondence on other matters, however, letters (or emails) in reply were sent to the address used by the correspondent. This explained why HML and its predecessors corresponded with Mr Jackson at his business address, but continued to send service charge demands to the address in the system, that is, in Mr Hayden's case, the Hazelwood Lane address.
- 32. We note that there was also some evidence that correspondence, possibly including service charge demands, had also been sent to the property address. Neither party contended that this was the proper address for service.
- 33. We find as a fact that Mr Hayden has not lived at the Hazelwood Lane address since late 2007, as he said in his oral evidence before us. The fact that some service charge demands sent to that address were paid later than that does not persuade us otherwise. Mr Jackson said that the explanation for this is that duplicates must have been sent to him. Since at the time, Mr Jackson and the then managing agent were in regular correspondence on other matters, we consider this a plausible explanation.
- 34. We also find as a fact that at all times since 2006, Mr Jackson has had actual authority from Mr Hayden to manage the property.
- 35. Our conclusions based on these findings are that the Hazelwood Lane address was not the proper address for service. Rather, that was Mr Jackson's business address.
- 36. We accept and proceed on the basis agreed by the parties that the question for us is what is Mr Hayden's last known or usual address for service. The only basis for the continued use of the Hazelwood Lane address by the respondent is the letter of 21 May 2007. Mr Jackson has provided a plausible explanation of why, in context, this letter was not intended to specify the proper address for service. Neither party is able to provide documentary evidence that supports or contradicts that explanation. However, for the reasons we set out below, it is not necessary for us to find as a fact that Mr Jackson's account is the correct one.
- 37. There was a great deal of emphasis on the existence and/or knowledge by the respondent of a power of attorney. We think this emphasis misplaced. There is no need for a power of attorney to exist for one person to be the agent of another for the purposes of property

management. No doubt a power of attorney was necessary, or at least convenient, for Mr Jackson to represent Mr Hayden in certain contexts, particularly when he was overseas. But it is not necessary to regulate the relations between the respondent and Mr Jackson as Mr Hayden's agent. The respondent needed to satisfy itself that Mr Jackson did, indeed, represent Mr Hayden, but that did not depend on the existence of a power of attorney.

- 38. For a party to *know* what an address is; or for it to appreciate what is a *usual* address, requires some consideration of the context of the relationship. Here, it is not contested that there was a substantial amount of correspondence between the respondent, both through its various managing agents over the years and directly, and Mr Jackson. The nature of that correspondence shows that the respondent had repeatedly treated Mr Jackson as Mr Hayden's agent in respect of the management of the property over a range of issues. To put the point negatively, were Mr Jackson not to have been Mr Hayden's agent, it would have been improper for the respondent to have corresponded with him as they did, over a long period of time.
- 39. We consider that this continued relationship at the very least means that the respondent should have been on notice to establish whether the service charge demands should be sent to Mr Jackson's business address rather than the Hazelwood Lane address. We should emphasise that this conclusion arises because of the lengthy and substantial history of the respondent treating Mr Jackson as Mr Hayden's agent. It is not the case that there is any duty on a landlord to check a leaseholder's address for service in a general sense, absent this special context.
- 40. What has happened in this case is that the respondent has simply continued to automatically generate service charge demands from its system without proper consideration, or re-consideration, of whether that was the correct address. They had been put on notice that it may not have been correct first by their treatment of Mr Jackson as Mr Hayden's agent in other contexts. Secondly, at least for a number of years, service charge demands sent to the Hazelwood Lane address had not been paid. Again, in the context of the on-going (if sometimes sporadic) relationship, that should have put them on notice that the automated system was continuing to send the service charge demands to the wrong address.
- 41. It could be said that the current managing agents had sought to establish that there was sufficient evidence that Mr Jackson was Mr Hayden's agent when they asked for a copy of the power of attorney in September 2018, as a result of which the dispute arose as to whether the power of attorney was sent at that time. However, even if they are right that the power of attorney was not received, they continued to treat Mr Jackson as Mr Hayden's agent for other purposes. And even if

they had received the power of attorney, it is not clear that even then they would have entered the right address on the computer system for service of service charge demands. As late as June 2019, when they certainly had the power of attorney, they were still, according to Ms Patel's evidence, sending service charge demands to the Hazelwood Lane address. This was even after they had received the application form and attended the case management conference in these proceedings.

- 42. We therefore conclude that the Hazelwood Lane address was not the correct address for service of service charge demands. Had the respondent given the matter proper consideration, if necessary making relevant enquiries, and acted upon that consideration, it would have concluded that Mr Jackson's business address is the correct address for service.
- 43. As explained in Ms Patel's witness statement, HML had no record of a service charge demand for 1 July 2017, so a section 20B(2) notice was served instead on 10 May 2019. However, this notice was also served at the Hazelwood Lane address, so is equally invalid.
- 44. We now turn to the effect of this decision.
- 45. It is not contested by the applicant that the demands were served on the applicant when the respondent's statement of case and attachments was received by Mr Jackson, on behalf of Mr Hayden. This applies to the section 20B(2) notice in respect of the demand for I July 2017 as it does for the other demands. The statement was received in the Tribunal on 24 June 2019. We assume that it was received by Mr Jackson on the same day.
- 46. The question accordingly is whether the service charges properly demanded on 24 June 2019 are now payable, in the light of section 20B of the 1985 Act, the terms of which are set out in the appendix.
- 47. The application of section 20B to demands for advance service charges is somewhat complex. The law is helpfully stated by the learned editors of *Woodfall's Landlord and Tenant* at paragraph 7.202.1:

The section has no application where (a) payments on account are made to the lessor in respect of service charges, (b) the actual expenditure of the lessor does not exceed the payments on account, and (c) no request by the lessor for any further payment by the tenant needs to be made or is in fact made (Gilje v Charlegrove Securities [2003] EWHC 1284 (Ch), [2004] 1 All E.R. 91; Islington LBC v Abdel-Malek [2008] L & TR 2; Brennan v St Pauls Court Ltd [2010] UKUT 403 (LC); Holding & Management (Solitaire) v Sherwin [2010] UKUT 412 (LC); Dougall v Barrier Point RTM Co [2017] UKUT 207

(LC); Roberts v Countryside Residential (South West) [2017] UKUT 368 (LC)). But the section does apply to a demand for on-account service charges which is only validly served after the relevant costs have been incurred (Skelton v DBS Homes (Kings Hill) Ltd [2017] EWCA Civ 1139, [2018] 1 WLR 362).

- 48. Costs are "incurred" when the landlord receives an invoice from a supplier or contractor relating to those costs: *OM Property Management v Burr* [2013] EWCA Civ 479; *Ground Rents (Regisport) v Dowlen* [2014] UKUT 0144 (LC).
- 49. In this case, then, section 20B is effective to prevent the applicant being liable for a service charge in respect of costs incurred more than 18 months before the valid service of the demands on 24 June 2019. The applicant however remains liable for any service charge relating to costs incurred less than 18 months before that date. In theory, the applicant would also be liable even earlier than the 18 month period for any advance service charge relating to estimated costs, where those costs were not incurred, because an invoice was not tendered. However, such costs would have been the subject of the reconciliation process, and thus would relate to service charge demands not characterisable as advance demands. In that event, then, section 20B would be effective in the ordinary way to prevent liablity.
- 50. We asked the parties at the close of the substantive hearing if they were content for us to deal with liability in principle, leaving to the parties to work out the exact sums concerned. Both parties agreed.
- 51. *Decision:* The applicant is *not liable* to pay any service charge in respect of costs that were incurred (ie, an invoice was tendered) more than 18 months before 24 June 2019. The applicant *is liable* to pay any service charge in respect of costs incurred on or less than 18 months before 24 June 2019.
- 52. The applicant initially maintained that any notices relating to major works required by section 20 of the 1985 Act or the statutory instrument made thereunder had also been misdirected. The respondent confirmed that there had been no such notices (save one set in relation to works that were not subsequently undertaken), and the applicant accepted that this was the case. This element of the application falls away.

Application under section 20C of the 1985 Act

53. The applicant applied in writing for an order under section 20C that the costs of these proceedings should not be relevant costs for the purposes of calculation of a future service charge demand.

- 54. Our discretion to make an order on section 20C is to be exercised on the basis of what is just and reasonable in all the circumstances. That includes the circumstances and conduct of the parties, and the outcome of the application.
- 55. The success of a tenant, or otherwise, on the substantive application is not determinative of an application under section 20C, but it is an important factor to be taken into account.
- 56. In this application, the position in relation to success is that the applicant has been successful in his primary submission in relation to the proper address for service. It is true that the extent to which that will affect the applicant's liability for service charges may be limited, given the application of section 20B. Nonetheless, we consider that we should approach the application under section 20C on the basis that the applicant has been largely successful. In such circumstances, it will usually follow that an order should be made (*The Church Commissioners v Derdabi* [2011] UKUT 380 (LC)), and so order.
- 57. *Decision*: The application is allowed. We order that that any of the costs incurred by the landlord in connection with these proceedings are not to be regarded as relevant costs to be taken into account in determining the amount of a service charge.
- 58. In making this order, we make no determination as to whether the lease provides for such costs to be recovered under the service charge.

Name: Tribunal Judge Prof Richard Percival Date: 12 September 2019

Appendix of relevant legislation

Landlord and Tenant Act 1985 (as amended)

Section 18

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
 - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
 - (a) "costs" includes overheads, and
 - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
 - (a) only to the extent that they are reasonably incurred, and
 - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard:
 - and the amount payable shall be limited accordingly.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

- (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 would be payable,
 - (b) the person to whom it would be payable,
 - (c) the amount which would be payable,
 - (d) the date at or by which it would be payable, and
 - (e) the manner in which it would be payable.
- (4) No application 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 to have agreed or admitted any matter by reason only of having made any payment.

Section 20

- (1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either—
 - (a) complied with in relation to the works or agreement, or
 - (b) dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal .
- (2) In this section "relevant contribution", in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.
- (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long term agreement—

- (a) if relevant costs incurred under the agreement exceed an appropriate amount, or
- (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount—
 - (a) an amount prescribed by, or determined in accordance with, the regulations, and
 - (b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.]

Section 20B

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

Section 20C

(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 a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, 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 persons specified in the application.

- (2) The application shall be made—
 - in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
 - (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
 - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
 - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
 - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

Commonhold and Leasehold Reform Act 2002

Schedule 11, paragraph 1

- (1) In this Part of this Schedule "administration charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly—
 - (a) for or in connection with the grant of approvals under his lease, or applications for such approvals,
 - (b) for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,
 - (c) in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to his lease otherwise than as landlord or tenant, or
 - (d) in connection with a breach (or alleged breach) of a covenant or condition in his lease.
- (2) But an amount payable by the tenant of a dwelling the rent of which is registered under Part 4 of the Rent Act 1977 (c. 42) is not an administration charge, unless the amount registered is entered as a variable amount in pursuance of section 71(4) of that Act.

- (3) In this Part of this Schedule "variable administration charge" means an administration charge payable by a tenant which is neither—
 - (a) specified in his lease, nor
 - (b) calculated in accordance with a formula specified in his lease.
- (4) An order amending sub-paragraph (1) may be made by the appropriate national authority.

Schedule 11, paragraph 2

A variable administration charge is payable only to the extent that the amount of the charge is reasonable.

Schedule 11, paragraph 5

- (1) An application may be made to the appropriate tribunal for a determination whether an administration 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) Sub-paragraph (1) applies whether or not any payment has been made.
- (3) The jurisdiction conferred on the appropriate tribunal in respect of any matter by virtue of sub-paragraph (1) is in addition to any jurisdiction of a court in respect of the matter.
- (4) No application under sub-paragraph (1) 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 to have agreed or admitted any matter by reason only of having made any payment.
- (6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—
 - (a) in a particular manner, or

(b) on particular evidence, of any question which may be the subject matter of an application under sub-paragraph (1).