

## FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference: CHI/24UC/LBC/2019/0037

CHI/24UC/LAC/2019/0017 CHI/24UC/LIS/2019/0060

Property: 59a Victoria Road North, Southsea, Hampshire

PO<sub>5</sub> 1PW

Applicants : Julian Savin & Claire Savin (the Landlords)

Representative: ---

Respondent: Mr Frank Yung-Hok (the Tenant)

Representative: Mr Ricky Powell of Counsel

Applications: (1) Section 168(4) Commonhold and Leasehold

Reform Act 2002 - Alleged breach of

covenant

(2) Schedule 11 Commonhold and Leasehold Reform Act 2002 – Administration Charges

(3) Section 27a Landlord and Tenant Act 1985 –

**Service Charges** 

Tribunal Members: Judge P.J. Barber

Mr M Donaldson FRICS Valuer Member

Date and venue of 5thFebruary

Hearing: 2020 Court No. 5 Portsmouth

Magistrates Court, Winston Churchill Avenue, Portsmouth

PO<sub>1</sub> 2EB

Date of Decision: 17<sup>th</sup> February 2020

## **DECISION**

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### **Decision**

- (1) The Tribunal determines in accordance with the provisions of Section 27A Landlord and Tenant Act 1985 that none of the amounts claimed by way of service charges in the period 25 June 2017 to 29 December 2019 and identified in Paragraph 10 below, are payable except for the estimated insurance contribution for 2019, demanded on account, in a sum of £250.00.
- (2) The Tribunal determines in accordance with the provisions of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 that the administration charges respectively in the amounts of £4183.29 and £380.00, are not payable.
- (3) The Tribunal determines in accordance with the provisions of Section 168(4) of the Commonhold and Leasehold Reform Act 2002, that breaches of covenant have occurred, being breaches by the Respondent tenant of the obligations imposed pursuant to subclauses 2(15)(ii) and 2(15)(iv) of the Lease dated 26<sup>th</sup> January 1996.
- (4) The Tribunal determines that no costs are payable in the matter by either party to the other.

#### **Reasons**

#### INTRODUCTION

- 1. Three applications, each dated 12<sup>th</sup> August 2019 were made by the Applicants for the determination of specified service charges and administration charges, and also for the Tribunal to determine variously whether or not breaches of covenant have occurred in respect of certain covenants contained in the lease dated 26<sup>th</sup> January 1996 made between William Magorian (1) Frank Yung and Peter Keith Venner (2) ("the Lease"), in relation to use of the Respondent's flat, known as 59a Victoria Road North, Southsea, Hampshire PO<sub>5</sub> 1PW ("the Flat").
- 2. In broad terms, the complaints made by the Applicants as landlords, are that the Respondent tenant has failed to pay certain amounts of ground rent and service charges of £8,206.24 from June 2017 to June 2020; that he has not complied with sub-clauses 2(15) (ii) & (iv) of the Lease in regard to underletting, and also that he has failed to pay administration charges from or about May 2018. Directions were issued in respect of all three matters on 25<sup>th</sup> September 2019.
- 3. The Applicants referred to previous proceedings in the County Court in respect of service charges up to June 2017, and in which they said the court found that such earlier service charges were reasonable and correctly demanded, although they said the court found that the Applicants did not have a contractual right to costs on an indemnity basis. The Applicants allege that since the County Court hearing, the Respondent has refused to pay subsequently arising service charges.
- 4. A copy of the Lease was provided in the bundle to the Tribunal; the Lease contains the following relevant provision:-

Clause 2(15):

"(i) Not during the last seven years of the said term to assign underlet or part with the possession of the Flat without the previous written consent of the Lessor such consent not to be unreasonably withheld and not at any time to assign underlet or part with the possession thereof except as a whole.

- (ii) not to assign underlet or part with the possession of the Flat without first obtaining from the assignee transferee underlessee or undertenant a covenant directly with the Lessor to pay the contribution covenanted to be made under sub-clause (2) hereof and in the case of an assignment or transfer a further covenant by the assignee or transferee with the Lessor to pay the rent hereinbefore reserved and to observe and perform all the covenants on the part of the Lessees and conditions herein contained
- (iii) not to underlet or part with possession of or permit any underlessee of the Flat to sub-let or part with possession thereof at an annual rent less than the rent hereby reserved exclusive of all outgoings and the contributions covenanted to be paid under sub-clause (2) hereof
- (iv) upon every assignment transfer underlease mortgage charge or other document affecting this Lease to give to the Lessor within one month thereafter notice in writing thereof and also if required by the Lessor to produce each such document to the Lessor's Solicitor and pay a fee of TEN POUNDS (£10.00) plus Value Added Tax for the registration of each document
- 5. The Respondent said that he had acquired the Flat about 24 years ago; the Applicants said that they had acquired the freehold reversion in or about 2011.

## **INSPECTION**

6. The inspection was attended by the Applicants, Mr and Mrs Savin, and by Mr Yung-Hok accompanied by Mr Ricky Powell of Counsel and, initially by Mr Jodie Gough of the Respondent's letting Agents Pink Street. The Flat forms the ground floor of No. 59 Victoria Road North, Southsea, being an end of terraced house constructed in or about the Edwardian period and apparently having been converted into two flats in or about 1996. 59 Victoria Road North comprises two storeys and is constructed mainly of face brickwork under a tiled pitched roof, and with a painted rendered square bay window to the ground floor only, on the front elevation. There is a small enclosed front garden laid to stone pebbles, with timber cycle stores constructed behind the front boundary structure. A narrow side path leads to the front doors of each of Flats 59A and 59B, and then to a gate, beyond which there is a small rear garden mainly laid to lawn. There appeared to be two velux type windows inset to the side roof elevation. Mr Gough from the letting agents, had brought with him, a key to the Flat and consequently a brief internal inspection was carried out; there is a small entrance hall, leading to a front living room; a further door from the living room gives access to a long, narrow internal hallway, providing access to two bedrooms, each with a window in the side elevation of the building, and a kitchen at the rear. Access from the kitchen is obtained, to a small toilet, bathroom and lobby area. A door in the kitchen also leads to the rear garden which the Tribunal was advised, is included in the Flat demise; there was a fence panel noted to be lying down in the rear garden. Outside the building, the attention of the Tribunal was drawn to the condition of the side path and to certain works undertaken in the side wall of the building, including a recently installed airbrick. Attention was also drawn to some recent replacement flashing work on the top ridge of the roof.

#### THE LAW

- 8. Section 27A(1) Landlord and Tenant Act 1985 provides that:-
  - (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, the date at or by which it is payable, and
    - (d) The manner in which it is payable.

# Schedule 11 Part 1 Paragraph 1(1) of the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") provides that:-

- 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 application 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 a 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.

Section 168 of the Commonhold and Leasehold Reform Act 2002 (as amended by Regulation 141 of the Tribunals and Inquiries, England and Wales Order No. 1036 of 2013) provides that:

- "168 No Forfeiture Notice before determination of breach
- (1) A landlord under a long lease of a dwelling may not serve a notice under section 146(1) of the Law of Property Act 1925 (c.20) (restriction on forfeiture) in respect of a breach by a tenant of a covenant or condition in the lease unless subsection (2) is satisfied
- (2) This subsection is satisfied if -
  - (a) it has been finally determined on an application under subsection (4) that the breach has occurred,
  - (b) the tenant has admitted the breach; or

- (c) a court in any proceedings, or an arbitral tribunal in proceedings pursuant to a post arbitration agreement, has finally determined that the breach has occurred.
- (3) But a notice may not be served by virtue of subsection 2(a) or (c) until after the end of the period of 14 days beginning with the day after that on which the final determination is made
- (4) A landlord under a long lease of a dwelling may make an application to the appropriate tribunal for a determination that a breach of a covenant or a condition in the lease has occurred.
- (5) But a landlord may not make an application under subsection (4) in respect of a matter which-
  - (a) has been, or is to be, referred to arbitration pursuant to a post dispute arbitration agreement to which the tenant is a party
  - (b) has been the subject of determination by a court, or
  - (c) has been the subject of determination by an arbitral tribunal pursuant to a post dispute arbitration agreement
- (6) For the purposes of subsection (4), "appropriate tribunal" means-
  - (a) in relation to a dwelling in England, the First-tier Tribunal or, where determined by or under Tribunal Procedure Rules, the Upper Tribunal; and
  - (b) in relation to a dwelling in Wales, a leasehold valuation tribunal"

#### **HEARING & REPRESENTATIONS**

10. The hearing was attended by the Applicants Mr and Mrs Savin, and by the Respondent Mr Yung-Hok, accompanied by Mr Powell of Counsel. There were also three observers present. Judge Barber referred to the nature of the three applications for determination, and set out the arrangements for hearing each, and also in regard to the costs applications being made by both parties. Mr Savin confirmed at the outset, the items of service charges in dispute for the period June 2017 to December 2019 being:-

June 2017 to December 2017

Balance of Exterior Maintenance Costs £320.59

Buildings Insurance £163.16

December 2017 to June 2018

Management £100.00

June 2018 to December 2018

Management £100.00

Buildings Insurance £202.00

December 2018 to June 2019

Management £100.00

June 2019 to December 2019

Management £100.00

Buildings Insurance Estimate £250.00

Similarly, the two administration charge items which are disputed are £4183.29 for legal costs and £380.00 for Mr Savin's time attending in the County Court. Mr Savin further confirmed that the breaches of covenant alleged, are in regard to subclauses 2(15)(ii) and (iv) of the Lease.

11. Both parties had prepared and presented to the Tribunal, skeleton arguments in support of their respective cases; accordingly, a short adjournment was allowed, so that the parties and the Tribunal would have opportunity to read the same. The parties then made submissions as detailed in broad terms, below.

## 12. (1) Section 27A Service Charges

Mr Savin referred to the previous County Court proceedings in respect of earlier service charge arrears which had been determined in May 2018, adding that he had undertaken a Section 20 consultation process in regard to the relevant works and which he said had been determined as having been correctly followed. Mr Savin referred to his "management fees" of £100.00 per each half year being payable; the Tribunal asked him where in the Lease these were provided as being payable. Mr Savin referred to:

Clause1:-

"...AND ALSO YIELDING AND PAYING with each of the said half yearly payments the sum of ONE HUNDRED POUNDS (£100) (or such greater sum as the Lessor shall consider appropriate) on account of the Lessee's liability under clause 2(2) hereof"

Mr Savin said that the relevant works had been carried out in July / August 2017, when the County Court proceedings had already been under way. Mr Savin referred to scaffolding having been erected, and various works being carried out including preparation of brickwork, painting, replacement of gutters and new fascia boards, all of which he said were within the Section 20 consultation. Mr Savin also referred to works for repointing a chimney, removal of a dangerous stack, roof repairs and installation of ventilation bricks. Mr Savin said extra work had been required, involving replacement of felting into the gutters; the total cost he said was £4082.11, of which 47% being £1918.59, was payable by the Respondent. Mr Savin confirmed that the second page from tab JS16 in the bundle, referred to the balance now being claimed as £320.59, representing the sum of £1918.59, less £1598.00 already paid, pursuant to the order of the County Court made in May 2018.

In regard to the claim for contribution towards insurance costs in June to December 2017, being £163.16, no receipt or other verification of the amount of the premium, was included in the bundle, although Mr Savin said it would have been sent to the Respondent at the time. In regard to insurance contributions claimed for June to December 2018, in a sum of £202.00, there was again no receipt or verification included in the bundle. Mr Savin said that the demand for insurance for June to December 2019, in a sum of £250.00 had been made in advance on an estimated basis, calculated by reference to previous actual premiums.

13. Mr Powell referred in outline to the submissions in his skeleton argument; he said the main objection to the £320.59, being the balance for the 2017 works, was that such demand falls within res judicata. Mr Powell said that the County Court had dealt with the 2017 external decoration costs, at the hearing in May 2018 and that everything claimed should have been included and dealt with at that time. Mr Powell submitted that the County Court had heard argument about these items and had given judgment and that according to the principle in Henderson v Henderson (1843) 3 Hare 100, all and any items could and should have been raised at that time. Mr Powell said that as the works occurred in July/August 2017, application should have been made to amend the amounts claimed, prior to the final determination hearing of those matters in May 2018. Mr Savin countered by saying that the County Court had dealt with the costs of the works as included in the Section 20 process, but extra costs had arisen; he said he had been advised by his then solicitors Dutton Gregory, that he should not add any extra items to the County Court claim, although there was nothing in the bundle to confirm that such advice had been given. Mr Powell said no blame was ascribable to the Applicants, although the fact remained, he said, that the law requires lots of separate claims to be avoided, when one will do. In regard to buildings insurance, Mr Powell said there is no evidence of the actual insurance premium costs having been incurred, the only reference being, he said, at tab JS12 in the bundle, being an email relating to insurance renewal in October 2019 in a sum of £349.96, but with no detail. In regard to the various half yearly amounts of £100.00, Mr Powell said that the Lease makes no provision for the lessors to charge for their own management costs, the reference at sub-clause 2(2)(v) being to "the reasonable fees of the Lessor's Managing Agents for the collection of the rents of the flats in the Building and for the general management thereof." Mr Powell said there was no sign of any credit having been given for the £100.00 payments, even if they were being claimed not as management fees, but as "on account" payments. Mr Savin confirmed his view that each of the sums of £100.00 claimed, is as a management fee, in reliance he said, on subclause 2(2)(v) in the Lease.

## 14. (2) Administration Charges

The two items claimed are respectively £4183.29 and £380.00, as referred to at tab JS6 of the bundle; the £4183.29 being a balance of legal costs. Mr Savin said that at the County Court hearing in 2018, the Judge had awarded costs due to the Respondent's unreasonable behaviour, at the standard rate. Mr Savin said that after the hearing, Dutton Gregory had written to the Respondent's solicitors about the excess of legal costs, but it had all gone quiet, and he referred to the decision Chaplair Ltd v Kumari [2015] EWCA Civ 798, which he said distinguishes the award of costs by a court, from those contractually due in the lease, adding that any balance remains enforceable. There was no invoice provided in the bundle in respect of the gross claim for costs in a sum of £7167.93; it appeared that the County Court had ordered payment of costs in a sum of £2984.64, leaving, according to Mr Savin, £4183.29 still due.

Mr Powell said that £7167.93 was the total claim in the County Court and that such sum had been summarily assessed to £2984.64; he added that there is no basis in law by which the excess, namely £4183.29 may now be awarded and referred to the legal principle of *res judicata*. Mr Powell said that these costs have already been adjudicated upon; he added that whilst Mr Savin had claimed to have had advice from Dutton Gregory that he might pursue this claim, there is no evidence of such

in the bundle and to the contrary, he pointed to the Respondent's own earlier advice from counsel, in the bundle at Pages 28-32 of their bundle, advising that Mr Yung-Hok has a strong case to argue that any future proceedings to recover the disputed costs will amount to an abuse of process on the basis of *res judicata*. Mr Powell further submitted that *Chaplair* provides no support for the Applicants' case, adding that this is a form of estoppel in regard to costs already explored and dealt with, and that any claim for interest thereon must similarly fail.

In regard to the claim for £380.00, Mr Savin said that this is for his attendance at the County Court and calculated on the basis of 19 hours of his time at £20.00 per hour. Mr Savin said that such charges are payable as a result of subclause 2(2)(v) in the Lease, as "general management". Mr Powell said that this is a matter for the Tribunal, but added that subclause 2(2)(v) relates to the reasonable fees of the "Lessor's Managing Agents".

## 15. (3) Alleged Breaches of Covenant

In view of certain of the statements in the Respondent's skeleton argument, the Tribunal asked if Mr Powell was wishing to concede in respect of this part of the claim. Mr Powell briefly checked instructions before confirming that the Respondent concedes that technical breaches of subclauses 2(15)(ii) and 2(15)(iv) are admitted; Mr Powell added that it is accepted that the Respondent should have obtained a direct covenant from the subtenants, regarding the obligations in Clause 2(2), and also given a notice in writing of the subletting, to the lessors. Mr Yung-Hok added that he had been the lessee for 24 years and that the previous landlords had been informed of previous subletting. Mr Savin said his issue was not being notified and accordingly, not knowing who was in occupation, and also not being in a position to advise the insurers of any vacant periods. Mr Powell said there was no evidence in the bundle of insurance having been invalidated, the only evidence, he said, being at tab JS12, saying that cover could be invalidated in the event of unnotified changes.

## 16. Costs

Mr Savin confirmed that he seeks costs being £50.00 for preparing court papers, £300.00 application fee, £400.00 for his administration time, being 20 hours at £20.00 per hour, plus interest at 8%. Mr Powell referred to a costs schedule prepared by the Respondent's solicitors Linder Myers, in a grand total of £4194.60; Mr Powell said it was a complex matter requiring considerable work, including that of a Grade A solicitor. Mr Powell further submitted that it was the Applicant who had been unreasonable in pursuing these claims, largely as a result of a misunderstanding of *res judicata*, adding that the Applicants could and should have obtained further legal advice if they were unclear. Mr Powell said that Mr Yung-Hok was here today, largely due to the Applicants' confusion over what they were entitled to claim, and that there is no reason not to award costs for the Respondent.

- 17. In his closing, Mr Powell said that matters had been fully explored and that he would rely on his skeleton argument, adding that the picture painted of the Respondent being unreasonable, was not the case and that the Respondent was just confused.
- 18. In his closing, Mr Savin said that the forfeiture provisions under Sections 146 and 147 of the Law of Property Act 1925 require a determination that service charges

are payable, referring to Clause 2(6) in the Lease and adding that the costs claimed were in contemplation of forfeiture proceedings. Mr Savin added that there have been virtually no payments made by the Respondent, although the Applicants are still maintaining the property and have been forced again, to go to court. Mr Savin said that as there are only two flats in the building, the absence of one set of payments is having a significantly detrimental effect upon the building.

## **CONSIDERATION**

19. The Tribunal, have taken into account all the oral evidence and those case papers comprised in the bundle and to which its attention has been specifically referred, and also the submissions of the parties.

## 20. Service Charges

In regard to the £320.59 claimed by way of a balance of service charges, it is apparent that these costs arose from the works carried out in July/August 2017, being some time before the County Court hearing in May 2018. Although Mr Savin says he was advised by Dutton Gregory that he should not add in to the County Court claim, the costs arising for works additional to the Section 20 estimates, it is accepted by the Tribunal that such costs should have been so added at the time, and that failure to do so would be contrary to the principle of *res judicata*. No clear or rational evidence to support Mr Savin`s understanding that such costs should not have been litigated in the County Court at the relevant time, has been provided. Similarly, no copies of the Section 20 notices had been included in the bundle which might otherwise have assisted to clarify the extent of the works then envisaged. The Tribunal also takes into account the principle in *Henderson*; nevertheless, the Tribunal also accepts that the action for recovery by the Applicants was not in the circumstances as understood by them, a deliberate attempt at abuse of process. Accordingly, the £320.59 claimed is not allowed.

In regard to the several claims for amounts of £100.00, the Applicants appeared to be under a misapprehension as to the provisions of the Lease, which allow for half yearly charges "on account", of £100.00 or such greater sum as the lessors shall consider appropriate. No evidence was provided to suggest that the Applicants were charging the various sums of £100.00, merely "on account", there being no evidence of credits appearing for such payments in the statements in the bundle. To the contrary, Mr Savin stated that he believed he was entitled to charge the £100.00 each half year by way of management costs. However, the Lease does not provide for the lessors to include as service charges amounts either of £100.00, or any other sum, in respect of their own costs of providing management services; subclause 2(2)(v) allows only for the reasonable fees of the "Lessor's Managing Agents" to be so included and on the evidence tendered, there are no Managing Agents appointed. Accordingly, each of the charges for "Management" in a sum of £100.00 is not allowed.

In regard to insurance, no receipts or evidence of actual expenditure on premiums in regard to the sums claimed of £163.16 and £202.00 were provided in the bundle. The directions given, had previously made it clear that the parties should include in the bundle, any documents on which they wish to rely. However, the position in regard to the sum of £250.00 claimed by way of an estimate for insurance in the period June to December 2019 is slightly different; the Applicants

are entitled under Clause 1 of the Lease to half yearly payments of £100.00 or such greater sum as they consider appropriate, on account of the liabilities under clause 2(2). Clause 2(2) sets out the various categories or headings of items which may be claimed by way of the service charge, including at 2(2)(i) the cost of insuring the building. Whilst such estimated contribution of £250.00 may appear slightly high in relation to the amounts which Mr Savin claimed were the proper contributions towards premium in the previous years, the Tribunal considers the sum of £250.00 to be not wholly unreasonable or unrealistic as an estimate. Accordingly, the sums for insurance of £163.16 and £202.00 are not allowed; however, the sum of £250.00 demanded as a contribution for 2019 on an estimated basis, is allowed.

For the avoidance of doubt, the Tribunal made it clear to the parties during the course of the hearing that it has no jurisdiction to make any determination in respect of amounts claimed by way of ground rent.

## 21. Administration Charges

The Tribunal notes that the amount claimed for legal costs in a sum of £4183.29, is the difference between the amount of costs previously claimed by the Applicants in the County Court in 2018 on a full indemnity basis being £7167.93, and the standard costs actually awarded by the County Court, being £2984.64. The Tribunal considers that the amount of costs awarded was the subject of a final determination by Portsmouth County Court in May 2018 and that it would be inequitable and an abuse of process, contrary to the principle of res judicata, for any order now to be made as to payment of the differential amount. Mr Savin had said that the decision in Chaplair provided that a contractual claim for costs could remain enforceable as it had not been determined by the County Court. However, Chaplair is distinguishable from the facts of the present case, in that it addressed the issues as to whether (1) a court may order payment of costs which arose in Tribunal proceedings and (2) a court may order payment of costs in accordance with the lease, where the matter was allocated to the small claims track. The facts in *Chaplair* briefly, were that the applicant had sought to recover in the County Court, costs of certain related earlier proceedings in the Tribunal. In the present case, the County Court had made a previous final determination as to costs in May 2018. In addition, no full details of the legal costs claimed, nor any invoice or fee note were included in the bundle, against which any assessment might have been made as to reasonableness or otherwise. If they were in any doubt, the Applicants should have sought further clarification of the legal advice on the subject, which they claimed they had previously received from Dutton Gregory. Accordingly, the sums claimed being £4183.29 and £380.00 are not allowed; for the avoidance of any doubt, the Tribunal further confirms for similar reasons, that no amounts claimed in these proceedings by way of interest, are allowed.

## 22. Breaches of Covenant

The Tribunal notes the admissions made by the Respondent in regard to breaches of subclauses 2(15)(ii) and 2(15)(iv) in the Lease having occurred; the Tribunal notes that these breaches would appear to be of a relatively technical nature and also notes that the Respondent has offered to take steps to remedy the position for the future. The Tribunal notes clause 3 in the Third Schedule of the Lease which is a covenant by the lessee:

"Not to do or permit to be done any act or thing which may render void or voidable any policy of insurance on any flat in or part of the said Building or may cause an increased premium to be payable in respect thereof"

However, no clear and irrefutable evidence was provided in the bundle to demonstrate that any actual breach in this regard has occurred. Accordingly, the Tribunal does not find that sufficient evidence has been provided, to demonstrate a breach, in regard to the insurance provisions contained in clause 3 in the Third Schedule.

## 23. <u>Costs</u>

The Tribunal has found substantially, but not entirely, in favour of the Respondent. However, in all the circumstances, the Tribunal is not minded to exercise its discretion to make any orders for costs in this matter against either party.

- 24. The Tribunal notes that there appears to have been some confusion on the part of the Applicants regarding their entitlements, both as regards service charges and administration charges under the Lease, including in relation to what may be charged on account, and also as to entitlement to management fees and otherwise. Accordingly it may be prudent for the Applicants to seek separate advice and guidance to ensure that in future the service charge demands, accounts and statements are set out more clearly and accurately in regard to the various provisions in the Lease, including the incorporation of credit entries for any payments on account, in annual service charge summaries. Greater transparency of accounting and demanding of service charges generally, may assist in avoiding a repetition of such proceedings between the parties in future.
- 25. We made our decisions accordingly.

Judge P J Barber (Chairman)

A member of the Tribunal appointed by the Lord Chancellor

## **Appeals**

- 1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

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