



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

Case reference : **CAM/33UF/LIS/2020/0016**

**HMCTS code
(audio, video,
paper)** : **V: CVPREMOTE**

Property : **18 Trafalgar Court, 42 Cromer Road,
Mundesley, Norfolk NR11 8DB**

Applicant : **Alan Walter Roper**

Respondent : **London Land Securities Limited**

Representative : **Ravinder Sharma, director**

Type of application : **Liability to pay service charges**

Tribunal members : **Judge David Wyatt
Judge G K Sinclair
Mr G F Smith MRICS FAAV REV**

Date of decision : **26 March 2021**

DECISION

Covid-19 pandemic: description of hearing

This has been a remote video hearing. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents we were referred to are those described in paragraph 14 below. We have noted the contents.

Decisions of the tribunal

- (1) The tribunal determines that total service charges of £3,515.14 are payable by the Applicant, for the period from 1 July 2011 to 6 August 2012. The reasons for this decision are explained below.
- (2) The tribunal makes no order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002, because the lease does not require the Applicant to pay the costs of these proceedings as an administration charge and Trafalgar Court is currently managed by a tribunal-appointed manager.
- (3) As requested, the tribunal has sought to calculate contractual interest (set out in the schedules attached to this decision). However, these calculations cannot be relied upon. We make no determination of any interest payable because in these proceedings we do not have jurisdiction to do so. The parties must take independent advice and rely on their own interest calculations.

Reasons

Application and hearing

1. The Applicant sought determinations under Section 27A of the Landlord and Tenant Act 1985 (the “**1985 Act**”) and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 (the “**2002 Act**”) of whether service and administration charges are payable by him for the service charge years from 2005 to 2017.
2. The Applicant also applied under paragraph 5A of Schedule 11 to the 2002 Act for an order reducing or extinguishing his liability to pay an administration charge in respect of litigation costs. He made no application under section 20C of the 1985 Act.
3. The relevant legal provisions are set out in the Appendix to this decision.

Background

4. There is a long history of applications to the tribunal in relation to Trafalgar Court. Originally an hotel, in the 1980s/90s the building was partially converted into flats let on long leases. The Respondent acquired the freehold in 1999. Persons connected with the Respondent are leaseholders of many of the individual flats. The Applicant is one of the “*independent*” leaseholders.

5. A tribunal in this jurisdiction appointed a manager, but their appointment ceased in 2009. Following one unsuccessful application, another manager was appointed with effect from 6 August 2012. The remaining issues in these proceedings relate to the later part of that interim period when the Respondent was managing Trafalgar Court. Later, the current manager was substituted and his appointment was extended until 5 August 2021. As we said at the hearing, the parties and the manager should prepare, as a matter of urgency, for any application to extend/vary the appointment of the current manager and any issues between them about this (particularly if they wish to avoid the need to serve and respond to a new preliminary notice in advance).
6. Service charges payable for relevant costs incurred for the periods to 30 June 2011 were determined in previous decisions of the tribunal in proceedings to which the Applicant and Respondent were parties. The most recent such decisions are in CAM/33UF/LIS/2011/0001 and CAM/33UF/LSC/2012/0016. Service charges payable in advance by all leaseholders for major works at Trafalgar Court were also determined following a separate hearing in CAM/33UF/LIS/2011/0001, with the total figure set out in a certificate of correction dated 29 August 2011.
7. The Applicant said he had made this application because, when “*independent*” leaseholders attempted to sell their leases, the Respondent alleged that various historical sums were owed to it. He produced a letter from the Respondent dated 13 September 2017 claiming a total of £9,740.19 in ground rent, service charges, administration charges and interest for Flat 18. The Applicant also referred to similar allegations in respect of Flat 25, the lease of which he or his company had previously owned, but made no application in respect of Flat 25.

Lease

8. The **Property**, No.18, is a one-bedroom flat at Trafalgar Court. The long lease of the Property was made on 14 November 1990 between: (1) a former landlord; (2) Trafalgar Court (Mundesley) Management Company Limited; and (3) a former leaseholder. The management company has since been dissolved.
9. Clauses 4(3) and 6(g) of the lease contain step-in provisions for the landlord if the management company specified in the lease fails to carry out its obligations. In clause 3(1), the leaseholder covenants to pay the specified proportion of the maintenance charges. Part IV of Schedule 1 sets out two proportions. As confirmed in the 2012 decision referenced above (at para. 27 of that decision), the first (costs shared between Lady Hamilton House and Trafalgar Court) is no longer relevant. The relevant proportion is the second (costs for this building only), which is 2.80%.

10. Schedule 5 sets out the matters which will be relevant costs for the purposes of the maintenance charges, including (in summary, using the paragraph numbers from Schedule 5): (1) collection of maintenance charges and paying all proper expenses in respect thereof; and (13) making provision for payment of all legal and other costs and expenses incurred: (a) in the running and management of the building and in enforcement or attempted enforcement of the covenants conditions and regulations contained in the leases; and (b) in maintaining applications and representations in respect of any notice or order.

Procedural matters

11. The procedural judge warned the parties at the case management hearing on 11 September 2020 that (in these proceedings) the tribunal does not have jurisdiction to determine any claims to ground rent or interest, as noted in the directions given at that hearing.
12. The Respondent confirmed at that case management hearing that the only service and administration charges said to be due from the Applicant were in respect of the relevant costs set out in three lists attached to the Respondent's letter of 9 September 2020, which comprise: (i) one list for the period from 1 July 2010 to 30 June 2011; (ii) one list for the period from 1 July 2011 to 30 June 2012; and (iii) one list for the period from 1 July to 6 August 2012.
13. The directions given at that hearing recorded this, and noted that these lists of costs appeared to correspond with the following service and administration charges said to have been demanded from the Applicant: (i) £336.50 for routine service charges and £336.84 for major works service charges for the period from 1 July 2010 to 30 June 2011; (ii) £1,458.28 for the period from 1 July 2011 to 30 June 2012; and (iii) £332.31 for routine service charges, £2,184.65 for major works service charges and £5,790, said to be the Respondent's costs of the unsuccessful application by the Applicant to a tribunal in this jurisdiction to appoint a manager, for the period from 1 July 2012 to 5 August 2012.
14. The Applicant did not comply with the direction requiring him to provide a detailed schedule identifying each disputed item claimed in the three lists from the Respondent and setting out his case on those disputed items. Instead, he produced a one-page schedule disputing all the charges in general terms. Similarly, he did not produce the bundles required by the directions. Instead, he produced two small bundles of documents, most of which had limited relevance to the issues in these proceedings. As directed by the procedural judge, the Respondent produced a more detailed bundle to enable the relevant service charges to be determined and the hearing was adjourned for a month, from 5 January to 5 February 2021, to allow sufficient time for the parties and the tribunal to prepare once this bundle had arrived. On 4 January 2021, the Respondent sent a PDF comprising copies of covering letters marked

17A to 17C for inclusion in the bundle. We also obtained from the tribunal office and considered the Applicant's application form and the lease provided with it, since neither party had included copies in their bundles.

15. There was no inspection. The directions given on 11 September 2020 noted that the tribunal considered an inspection was not required, but relevant photographic evidence would be considered if produced in good time. Neither party requested an inspection or produced photographs. We are satisfied that an inspection is not necessary to determine the issues in this case.
16. At the hearing on 5 February 2021, the Applicant, Mr Roper, represented himself. The Respondent was represented by Ravinder Sharma, a director. Members of their respective families attended to assist them with the video hearing.

The issues

17. As noted above, the Applicant sought determinations for the service charge years from 2005 to 2017 and the Respondent confirmed it was "only" seeking service/administration charges for the period from 1 July 2010 to 6 August 2012, as set out in the three lists it had produced for the case management hearing.
18. We explained to the parties that they could not use these proceedings to attempt to re-litigate historic matters. In particular, they had both failed to act at the time of previous tribunal determinations to ensure that the relevant accounts were brought up to date in accordance with those determinations, and to resolve any issues relating to third parties while any claims were in time and the relevant records were available. Many years later, they might (or might not) both have lost out because of their own inaction, but they cannot use these proceedings to try again. We briefly explain the relevant points below.
19. We put it to Mr Sharma that he could not re-argue the service charges already determined in previous decisions for the periods to 2011, including the advance major works costs for the year to 30 June 2012 (except where he could show that actual costs were greater) and any items in his first list for the year from 1 July 2010 to 30 June 2011. We referred to the previous determinations of the tribunal about Trafalgar Court. We also referred to Henderson v Henderson (1843) 3 Hare 100 for the general rule that where a given matter is the subject of litigation the parties must bring forward their whole case, and except in special circumstances the same parties will not be allowed to reopen the same subject in respect of matters which could and should have been, but were not, brought forward. The only possible exception was the £2,500 major works fee which had been specifically reserved as a possible separate charge. In response, Mr Sharma agreed that the Respondent would not

claim any service or administration charges other than those for 2011/12, as set out in the Respondent's second and third lists (i.e. those for the periods from 1 July 2011 to 6 August 2012).

20. We pointed out to the Applicant that service charges for the period from 7 August 2012 had been made by the managers appointed by the tribunal, not the Respondent. The Applicant had said that payments to the appointed manager were not disputed and were up to date. His concern was service and administration charges claimed by the Respondent in relation to the remaining period described above. In any event, since the Applicant had not identified any dispute or made any case in relation to any such charges for the period from 7 August 2012, we could not deal with this. Although the Applicant had referred to Flat 25, that was not the subject of this application, and the Respondent had made no cross-application for determination of charges in relation to Flat 25, so we could not deal with that.
21. Similarly, we confirmed that we would not consider issues in relation to any payments made by leaseholders to the previous manager and the amounts then handed over by that manager to the Respondent in 2009. The Applicant had failed to produce any adequate particulars of any case in this respect, let alone adequate evidence. Any claims in relation to such matters (relating to events about 12 years ago) may now be time-barred. This is purely an application for determination of payability of service and administration charges and we noted the admission from the Applicant in his statement of case that no service charges had been paid for the period which included 1 July 2011 to 6 August 2012.
22. Finally, we noted that the Respondent appeared to be claiming its legal costs in relation to the applications in 2011/12 to appoint a manager twice. It included them in the relevant costs for the service charge, but was also claiming most of the same sums (£5,790) from the Applicant as an administration charge, even though those applications had been made by several leaseholders. We put it to Mr Sharma that there was no provision in the lease entitling the Respondent to claim such costs from individual leaseholders by way of an administration charge. He could not identify any such provision. Accordingly, we noted that these costs could only be claimed (if at all) through the service charge, as considered below.
23. We adjourned the hearing for half an hour to give the parties additional time to reconsider these matters and focus on any points they wished to make. We then heard from the parties on the remaining issues, as examined below.

Service charges for the period from 1 July 2011 to 30 June 2012

24. The Applicant challenged the following specific items in the Respondent's list of relevant costs for this period. He confirmed that he did not dispute the other relevant costs in the list, as summarised (for identification only) in Schedule 1 to this decision.
25. Initially, the Applicant challenged the TC Garrett costs of £558 for replacement of wind damaged roof tiles and £330 for repairs to rooflight glazing. After we put it to him that the £558 was not being charged, but was cancelled out by the credit entry from the insurance claim for this damage, and that buildings insurance would generally not be expected to cover damage from high winds to glass, he agreed the cost of £330.
26. The Applicant challenged the £350 and £150 fees for an application to the tribunal. Mr Sharma explained these were the application and hearing fees for the application to determine the service charges for the years to 2011 (CAM/33UF/LIS/2011/0001). We noted these were higher than the fees now charged for applications to the tribunal, but they were the prescribed fees payable to the tribunal at that time. The Applicant then agreed these costs.
27. The Applicant challenged a cost of £2,160 dated 6 February 2012 for fees for Counsel for the Respondent (Jonathan Pennington Legh) in respect of the unsuccessful first application made in 2011 (by the Applicant and other leaseholders) for appointment of a manager. The reason this application failed was that it had been made prematurely. It had not allowed a reasonable period for response to the preliminary notice under section 22 of the Landlord and Tenant Act 1987, which had been served at the same time as the application was made, as explained in the relevant decision (CAM/33UF/LAM/2011/0003). In our assessment, this fee of £1,800 plus VAT for a conference and representing the Respondent at the hearing in February 2012 was payable as a service charge cost under the terms of the lease (as summarised above) and reasonably incurred.
28. Next, the Applicant challenged further fees paid to Counsel for the Respondent between 14 February and 22 May 2012. These were £720, £960, £1,350 and £600. Mr Sharma initially thought the first of these related to the unsuccessful first application for appointment of a manager, but it is clear from the fee notes in the bundle that all these fees relate to the successful second application made in 2012 to appoint a manager. Mr Sharma contended it was reasonable for the Respondent to have resisted this application in view of the stage which had then been reached in procurement of the major works.
29. In our assessment, these costs of unsuccessfully resisting the second application for appointment of a manager (when the earlier decision had made it clear that the tribunal would have appointed a manager but for

the failure to allow a reasonable time to respond to the section 22 notice) were not reasonably incurred as service charge costs. The start of the major works had already been seriously delayed in the hands of the Respondent. By the time of the hearing of the second application, matters had progressed, but those involved with the major works project had made it clear that they could arrange the transition to the manager without materially interrupting the works. The manager was appointed for the reasons set out in the relevant decision (CAM/33UF/LAM/2012/0001), including serious failures of management on the part of the Respondent.

30. We noted that the next items in the list, various costs from Reynolds Jury Architecture for the major works, amount to the total figure shown for these costs in the contemporaneous accounts (at page 21 of the Respondent's bundle). Similarly, the costs shown for Restoration AM quantity surveyors and DMA health and safety services are the same as those shown in those contemporaneous accounts. They are part of the figures already determined by the tribunal for the major works under decision CAM/33UF/LIS/2011/0001. It appeared from the Respondent's list that these actual costs were the same as the costs payable in advance and neither party claimed otherwise.
31. The Applicant queried the general management fee of £3,500 charged by the Respondent for this period. The Applicant said there were up to 32 flats and this equated to slightly less than £110 per flat inclusive of VAT. On reflection, the Applicant agreed this charge.
32. The Applicant challenged the major works management fee of £8,200. The Respondent had set out a breakdown of the time spent on the relevant consultation exercises, major works and other matters (from page 84 of the Respondent's bundle onwards). This claimed that the Respondent had spent 78 hours at a rate of £150 per hour, a total of £11,700. We put it to Mr Sharma that the usual approach was for such charges to be calculated as a fixed proportion of the net cost of the work. Mr Sharma referred to some unusual items of work which were necessary, but some of the time entries related to matters such as the applications for appointment of a manager. After some discussion, both parties agreed a major works management fee of £6,500 for this period.
33. Finally, the Applicant queried and then accepted the £240 audit fee. We noted that this is the same figure as already determined as part of the advance major works charges in 2011.
34. Accordingly, the service charges set out in the second column of Schedule 1 to this decision, in the total sum of £1,317.97, have (as set out above) been agreed, or determined by the tribunal to be payable as service charge costs under the lease and reasonably incurred.

Service charges for the period from 1 July to 6 August 2012

35. The Applicant challenged the following specific items in the Respondent's list of relevant costs for this period. He confirmed that he did not dispute the other relevant costs in the list, as summarised (for identification only) in Schedule 2 to this decision.
36. The Applicant disputed Counsel's fee of £720 paid on 23 July 2012 for advising and making submissions on behalf of the Respondent on the form of the draft management order subsequently made in the proceedings described above. For the same reasons as summarised in paragraph 29 above and because we have allowed the £650 management costs considered below, in our assessment this additional cost was not reasonably incurred as a service charge cost.
37. The Applicant queried the Respondent's management fee of £650 in relation to the appointment of a manager. Mr Sharma explained that this had been charged as at least five hours' work at £150 per hour. The Applicant said he thought this was high but was willing to concede it if we thought the fee reasonable. In view of the practical work needed, particularly in the context of the major works, including handing over documents and funds to the tribunal-appointed manager, we consider that the total sum of £650 was reasonably incurred.
38. The Applicant challenged the Respondent's general management fees of £750 for this period. Mr Sharma could not explain why this was higher than a simple pro rata apportionment of the £3,500 annual management fee. The parties then agreed that the general management fee for this period should be £485.
39. Next, the Applicant challenged a cost of £561 described as relating to a Reynolds Jury Architecture report regarding roofing work carried out by a previous contractor for the original manager. Mr Sharma directed us to an invoice, but this only described work on varying a report for a tribunal - which had not been produced. He said this was actually a charge for preparing a revised schedule of work for the major works, but could not give us any more information or evidence in support of that. There had been no attempt to apply for a determination of this sum at the time. On the evidence produced by the Respondent, we were not satisfied that this sum was reasonably incurred as a service charge cost.
40. The remaining sums set out in the list, for the first instalment of fees payable to Reynolds Jury Architecture in respect of the major works contract (£2,458.80) and the initial sums paid to the contractor, TC Garrett (£73,651.42 in total) were not disputed. We can see these sums match the valuation under the major works contract for interim payments and the annotated invoices produced in the Respondent's bundle.

41. In the Respondent's bundle, it produced a different version of its list of the service charges claimed for this period. This was the same as the list it had committed itself to at the case management hearing, except that it had added an extra cost of £547.02 as an additional charge from Reynolds Jury Architecture for work when a contractor had withdrawn their tender. We put it to Mr Sharma that it was too late for the Respondent to attempt to add this. He said that he thought this was a service charge item. He could not find the invoice or point us to any relevant document in the bundle; he said he had evidence that this payment had been made, but accepted that he had not included any evidence of this in the bundle. On the case made and evidence produced by the Respondent, we are not satisfied that this cost was reasonably incurred as a service charge cost.
42. Accordingly, the service charges set out in the second column of Schedule 2 to this decision, in the total sum of £2,197.17 have (as set out above) been agreed, or determined by the tribunal to be payable as service charge costs under the lease and reasonably incurred.

Section 20C/paragraph 5A applications

43. As noted above, the Applicant had not made an application under section 20C of the 1985 Act in relation to the costs of these proceedings. We noted that the Property is being managed by the tribunal-appointed manager, so the Respondent cannot seek to recover any costs of these proceedings through the service charges.
44. None of the parties could point to any particular administration charge which might under the terms of the lease be made in respect of the costs of these proceedings and, again, the Property is being managed by the tribunal-appointed manager. Accordingly, we make no order under paragraph 5A of Schedule 11 to the 2002 Act; it appears there would be nothing for it to bite on.

Interest

45. As requested, the tribunal has sought to calculate contractual interest (set out in the schedules attached to this decision) in an attempt to assist the parties to draw a line under historic matters. This has been calculated under clause 2(14) of the lease, which provides that, if demanded, the leaseholder shall pay interest on any overdue payment at the rate of 5% over the base rate of National Westminster Bank PLC, such interest to be capitalised quarterly. We have assumed that a payment period of 14 days is appropriate and calculated to the date of the hearing. The documents in the Respondent's bundle indicate that the service charge demand for 2011/12 was dated 28 December 2012, so interest on the sum determined for that period has been calculated from 12 January 2013. The documents indicate that the service charge demand for

July/August 2012 was dated 5 January 2013, so interest on the sum determined for that period has been calculated from 20 January 2013.

46. However, these interest calculations cannot be relied upon. We make no determination of any interest payable because in these proceedings we do not have jurisdiction to do so. The parties must take independent advice and rely on their own interest calculations.

Name: Judge David Wyatt **Date:** 26 March 2021

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Schedule 1

Actual expenditure 1st July 2011 to June 2012.							
Building insurance		£6,859.05					
Electricity		£276.31					
Fire Risk Assessment		£199.00					
Bank charges		£67.35					
Lawnmower fuel		£22.60					
Carpet cleaner		£38.98					
TC Garrett repairs to roof light		£330.00					
TC Garrett repairs to wind damaged roof tiles		£558.00					
Insurance repayment for above.		-£558.00			Insurance claim		
H&S notices		£52.74					
Vacuum cleaner		£104.98					
Lawnmower fuel		£11.50					
Rodent traps		£35.90					
Labourers charges- removal of heavy goods		£60.00					
Air rifle & pellets- pigeon management		£186.95					
Lawnmower fuel		£6.00					
Train ticket, Jack White, Ladder lawnmower fuel		£96.70					
Lawnmower fuel		£6.02					
Roy's of Wroxham- items for R&M		£35.22					
GPE removal of 16t inert material		£190.00					
Lawnmower fuel		£30.00					
Travel, fuel & purchase from S&M Supplies Ltd		£99.60					
Paul Marsland caretaker employee costs		£8,925.08					
HMCTS application fee		£350.00					
HMCTS hearing fee		£150.00					
6-2-2012 Counsel's cost - JPL		£2,160.00					
14-2-12 Counsel's cost - JPL			£720.00				
13-4-12 Counsel's cost - JPL			£960.00				
22-5-12 Counsel's cost - JPL			£1,350.00		Disallowed	Second application	
Counsel's cost - JPL			£600.00				
RJA inspection report		£240.00					
RJA report for LVT		£378.00					
RJA preparing report for LVT		£2,454.18					
RJA reports		£1,419.90					
RJA attendance at LVT hearing		£1,234.50					
RJA reports		£2,400.00					
RJA reports		£2,511.84					
RJA re-roofing specs.		£2,904.00					
RJA fees TC Garrett roofers & tenders		£1,351.98					
AM Quantity Surveyors		£1,012.02					
DMA CDM co-ordination		£630.00					
LLSL Management fees- general for year		£3,500.00				Based on £110/unit @ 32 units	
LLSL Management fees - management of major works		£6,500.00				£8200 reduced to £6,500 as agreed with Mr Sharma.	
Barry Flack & Co audit fee		£240.00					
		£47,070.40	£3,630.00		Disallowed		
Flat 18 share of service charge	2.80%	£1,317.97					
Interest		£744.77					
Total with interest		£2,062.74					
Interest 5% above NatWest base compounded quarterly from 14 days after 28th Dec 2012 therefore period 12th January 2013 to 5th February 2021 , date of hearing/decision.							
Interest rate allowed for in lease	5.00%		£1,317.97	Years	Interest	Service charge period	
Base Interest rate	0.50%	12/01/2013	04/08/2016	3.5	5.50%	Period 1	£277.68
	0.25%	04/08/2016	02/11/2017	1.167	5.25%	Period 2	£107.50
	0.50%	02/11/2017	02/08/2018	0.75	5.50%	Period 5	£71.23
	0.75%	02/08/2018	11/03/2020	1.583	5.75%	Period 4	£186.43
	0.10%	11/03/2020	05/02/2021	0.833	5.10%	Period 5	£101.93
						Total Interest	£744.77

Schedule 2

Actual expenditure 1st July 2012- 6th August 2012							
Insurance		£1,219.64					
Bank commission		£5.50					
JPL			£720 disallowed.				
Fee for transfer of management		£650.00	£650 not on hourly rate but reflects costs associated				
Management fee		£485.00	Reduced to pro-rata				
RJA pg.80 invoice -LVT?			£561.00 Disallowed				
RJA fee pg.100		£2,458.80					
TC Garrett Roofing pg.101		£25,000.00					
TC Garrett Roofing pg.101		£23,651.42					
TC Garrett Roofing pg.101		£25,000.00					
			£547.02 Disallowed				
		<u>£78,470.36</u>	<u>£1,108.02</u>				
Flat 18 share of service charge	2.8%	£2,197.17					
Interest		£1,241.59					
Total with interest		£3,438.76					
Interest 5% above NatWest base compounded quarterly from 14 days after 5th Jan 2013 therefore period 20th January 2013 to 5th February 2021, date of hearing/decision.							
Interest rate allowed for in lease	5.00%		£2,197.17	Years	Interest	Service charge period	Amount
Base Interest rate	0.50%	20/01/2013	04/08/2016	3.5	5.50%	Period 1	£462.92
	0.25%	04/08/2016	02/11/2017	1.17	5.25%	Period 2	£179.21
	0.50%	02/11/2017	02/08/2018	0.75	5.50%	Period 5	£118.74
	0.75%	02/08/2018	11/03/2020	1.58	5.75%	Period 4	£310.80
	0.10%	11/03/2020	05/02/2021	0.83	5.10%	Period 5	£169.93
						Total Interest	£1,241.59

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.