FIRST – TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**CAM/00KB/LAC/2021/0001**
Properties	**:**	**Flats 1, 2, 5, 6, 7, 8 & 9 River Court, 16A River Street, Bedford MK40 1PX**
Applicants	**:**	**Simon Daniel (Flat 1)** **Big Citizen Ltd (Flat 2)** **Reverend Janet Wooton and Christopher Wooton (Flat 5)** **Joanne Reid (Flat 6)** **Christopher Wickens and Sarah Wickens (Flats 7 & 9)** **Janet Ingle (Flat 8)**
Represented by	**:**	**Mr Howard of Beard and Ayers Block Management Ltd (managing agents for River Court Bedford No 1 RTM Co Ltd and River Court Bedford No 2 RTM Co Ltd)**
Respondent	**:**	**Assethold Limited**
Represented by	**:**	**Mr Gurvitz of Eagerstates Ltd (managing agents for the Respondent).**
Application	**:**	**Application for a determination of the liability to pay and reasonableness of an "admin fee for rent collection" whether as a service charge within the meaning of section 18 of the Landlord & Tenant Act or as an administration charge within the meaning of section 1(1) in Schedule 11 to the Commonhold and Leasehold Reform Act 2002.**
Tribunal Members	**:**	**Judge S Reeder** **Mr G Smith**
Date of hearing	**:**	**10 June 2021** **Remotely by telephone**
Date of Decision	**:**	**10 June 2021**
Date Written	**:**	**21 June 2021**

DECISION

DECISION

1. **The tribunal determines that the sum of £28 per annum is payable by each of the Applicants in respect of the charge for the service cost of the administrative process of producing and serving the rent demand (referred to as the "admin fee for rent collection"").**

2. **No party costs or reimbursement orders are made pursuant to Rules 13(1) or 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.**

3. **It was not argued that the Respondent is entitled to recover its costs of these proceedings as a service charge or administration charge under the terms of the River Court leases. Had such an application been made the tribunal would have been minded to grant the application for an order pursuant to s20C of the Landlord and Tenant Act 1985 to extinguish the Respondent's costs incurred in connection with these proceedings before the tribunal.**

REASONS

The applications, parties and issues for determination

4. By applications dated 5 March 2021 Simon Daniel (Flat 1), Big Citizen Ltd (Flat 2), Reverend Janet Wooton and Christopher Wooton (Flat 5), Joanne Reid (Flat 6), Christopher Wickens and Sarah Wickens (Flats 7 & 9), and Janet Ingle (Flat 8) challenge the liability to pay and the reasonableness of an "admin fee for rent collection" demanded in the sum of £60 from each of the 9 flats in the 2 buildings which make up River Court, 16 A River Street, Bedford MK49 1PX, by written demands dated 27 November 2019 and 2 December 2020 in addition to and in relation to the demands for annual ground rent of £250 demanded at the same time.

5. The narrative grounds of application are common to each application and are stated as follows –

> "The landholder (sic) asserts that the £60 charges are payable by virtue of paragraph (b) of the service charge costs definition contained within clause 1 of our client's lease. That paragraph states that the service costs include : "the reasonably and properly incurred costs, fees and disbursements of any managing agent or other person retained by the landlord to act on the landlord's behalf in connection with the building or the provision of services". We assert that the issuing of a ground rent demand is not connected to or associated with the provision of services and therefore no fee is payable to the landlord.
>
> We further assert that the administration charge is clearly intended to compensate the landlord for its time to prepare its ground rent demands, which it is not permitted to do under the lease.

In order to prevent this situation occurring every year when ground rent demands are issued, we ask the court (sic) to make a determination as to whether this 'administration fee' is properly due and able to be demanded under the lease. For the reasons states above we do not agree that it is properly due".

6. Those sums are demanded by Eagerstates Ltd on behalf of the Respondent as landlord and expressly "under the terms of your lease". Those written demands are accompanied with a summary of tenants' rights and obligations in the prescribed form. The relevant demands in respect of each property are included in the documents bundle and are in the same form.

7. This application is made subsequent River Court Bedford No 1 RTM Co Ltd and River Court Bedford No 2 RTM Co Ltd acquiring the right to manage the two buildings (1-5 River Court, and 6-9 River Court) on 6 December 2018 pursuant to the decision of the Tribunal made on 7 September 2018 in CAM/00KB/LRM/2018/0003.

8. As a result of that decision, since 6 December 2018, the RTM companies manage those buildings. The Respondent retains the freehold interest and its only involvement in the buildings is the collection of ground rent due pursuant to the terms of the leases granted in respect of the individual flats in those buildings. The Respondent employs Eagerstates Limited to collect that ground rent each year.

9. On 23 March 2021 the parties attended a remote (telephone) case management hearing with Judge Wayte during which procedural directions were agreed for this hearing as recorded in the court's written directions order of the same date. During that hearing the Respondent contended that the annual £60 sums were demanded as administration charges. Regional Judge Wayte indicated her initial view that the sums do not fall within the definition of an administration charge as defined by section 1(1) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 and are instead services charges as defined by section 18 of the Landlord and Tenant Act 1985. The parties agreed and Judge Wayte directed that the applications proceed on the basis of a challenge to the liability to pay and the reasonableness of the annual £60 "admin fee for rent collection" whether as an administration charge or as a service charge. Accordingly, the tribunal proceeds on that basis.

10. This tribunal considers that Judge Wayte's indication was well made and is correct. Paragraph 1(1) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 provides that an "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. In this case the respondent demands the fixed annual sum of £60 per flat as that cost of the administrative process of demanding the receiving the ground rent of £250 per annum per flat, with both sums demanded at the same time by the same documentary demand (which is accompanied the prescribed information setting out the lessees rights. It clearly does not fall within the scope of paragraph 1(1) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 and is therefore not an administration charge within the meaning of the 2002 Act. The tribunal therefore consider whether it is a service charge imposed by the lease as defined by section 18 of the Landlord and Tenant Act 1985.

11. The Respondent's statement of case appears to erroneously aver that the applications do not challenge the liability to pay the charges but only challenge the reasonableness of the same.

12. In their 'applicants' response' document included in the bundle the Applicants re-iterate that they do indeed challenge liability to pay the charges. That position is consistent with the applications as set out in the pro forma 'leasehold 1a' forms filed.

The law

13. Section 27A of the Landlord and Tenant Act 1985 (as amended) provides –

(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.

The relevant lease provisions

14. We are provided with the leases (adopting the order in which they are found in the bundle) in respect of Flat 2 dated 31 March 2016, in respect of Flat 1 dated 1 July 2016, in respect of Flat 8 dated 20 November 2015, in respect of Flat 7 dated 23 March 2016, in respect of Flat 9 dated (date indecipherable due to poor copying), and in respect of Flat 5 dated 1 January 2014. The leases in respect of the remaining flats in the two blocks at River Court are not before us but the Respondent

confirmed that they are in the same form for the purposes of the determinations sought from this Tribunal.

15. The following provisions are common to each of those leases and are particularly relevant to the application before the tribunal –

    - The Agreed Terms define 'Rent' as rent at the initial rate of £250 per annum until and including the 25th anniversary hereof and then doubling to £500 on the 25th anniversary hereof and then doubling in every 25th years thereafter.

    - The Agreed Terms define 'Service charge' as "a fair and reasonable proportion determined by the landlord of the Service Costs".

    - The Agreed Terms define 'Service costs' as including "the reasonably and properly incurred costs fees and disbursements of any managing agent or other person retained by the landlord to act on the landlord's behalf in connection with the building or the provision of the services".

    - Paragraph 1.1 of Schedule 4 (Tenant Covenants) requires the tenant to pay the rent to the landlord by one equal instalment by standing order or by any other method that the landlord from time to time requires by giving notice to the tenant.

    - Paragraph 2 of Schedule 4 (Tenant Covenants) requires the tenant to pay to the landlord the service charges demanded by the landlord under Schedule 6 paragraph 4.4.2 by the date specified in the landlord's notice.

    - Paragraph 4.4.2 of Schedule 6 (Landlord Covenants) provides that the landlord will serve on the tenant a notice giving full particulars of the service costs and stating the service charge payable by the tenant and the date on which it is payable as soon as is reasonably practical after incurring, making a decision to incur, or accepting an estimate relating to, any service costs.

The hearing

16. No party requested a property inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate given the issues in dispute.

17. This has been a remote telephone hearing pursuant to the agreement for the same reached by the parties in the telephone case management hearing on 23 March 2021. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. Each party has been given the opportunity to address the tribunal in relation to the matters before it and the tribunal has been assisted by the oral evidence and arguments of the parties.

18. The Applicants have been represented by Mr Howard of Beard and Ayers Block Management Ltd (managing agents for River Court Bedford No 1 RTM Co Ltd and River Court Bedford No 2 RTM Co Ltd). The applicants Simon Daniel (Flat 1), Christopher Wooton (Flat 5), Sarah Wickens (Flats 7 & 9) and Janet Ingle (Flat 8) have attended the hearing.

19. The Respondent has been represented by Mr Gurvits of Eagerstates Ltd (managing agents for the Respondent).

20. The parties have been given the opportunity to address us on their respective interpretations of the lease provisions set out in this Decision.

21. All of those named above have ably and helpfully presented their respective arguments and responded to the questions posed by the tribunal during the hearing. Mr Gurvits displayed an irascible response to questions posed by Judge Smith in relation to the 'management agency agreement' between the Respondent and Eagerstates Ltd but the tribunal acknowledges the imperfect procedure of remote telephone hearings and has been careful to consider the content of his arguments on their merits.

22. The tribunal has read with care the agreed documents bundle filed by the parties (367 pages in total) including those documents expressly relied upon by any party during the hearing. It has also read with care the Respondent's statement of case and appended documents (which include the 'management agency agreement' between the Respondent and Eagerstates Ltd) which were not included in that bundle. It was confirmed at the outset of the hearing that no party had filed or sought to rely upon any further documentary evidence.

The parties' evidence and submissions during the hearing

23. The tribunal has afforded the parties some latitude in giving informal oral evidence of matters within their direct experience during the hearing which otherwise consisted largely of submissions and/or argument on the liability to pay the charge and the reasonableness of the charge.

24. For the Applicants, Mr Howard contended in relation liability to pay the disputed charge that the respondent has conflated service charges with ground rent and that this is impermissible as services charges relates to services to the building whereas ground rent is a sum due to the freeholder. Further, it is contended that there is no provision for an administration charge relating to ground rent in the lease. In support of these propositions it is said that the services are defined in the lease and do not include the recovery of the ground rent.

25. For the Applicants, Mr Howard contended in relation to the reasonableness of the disputed charge that the leases remain constant with very little administration required to recover the ground rent due such that the charge of £60 p/a is unreasonable and a charge of £5 per flat would be reasonable given the minimal work required.

26. Christopher Wooten (flat 5) confirmed that he paid the charge by bank transfer when he received the demand and so it was not reasonable to make any charge.

27. Helen Ingle (flat 8) confirmed that she too paid the charge by bank transfer when she received the demand. She argued that the administrative work was minimal as the leases were all the same, the demand notices sent were all the same and the covering letters were all the same. She argued that the respondent and its managing agent were in practice the same people so that it was not reasonable for the respond to engage this managing agent as no "extra expertise was gained" and that none was in fact required where the only service carried out by the agent was to recover the ground rent.

28. Sarah Wickens (flats 7 & 9) confirmed that she too pays by bank transfer upon receipt of the demand and noted that the ground rent demand came by paper letter whereas an electronic demand by email would take less time and cost less.

29. Simon Daniel (flat 1) stated that until the right to manage was acquired in 2018 no charge was made in relation to the recovery of the ground rent. The other applicants present confirmed that to be the case with them also. Mr Gurvits for the respondent also confirmed this and stated that such costs

had been included in the general management charge until management was transferred pursuant to the order made by the tribunal in September 2018.

30. For the Respondent, Mr Gurvits argued that the charge is recoverable as a service charge as it is a service cost in connection with the building.

31. For the Respondent, Mr Gurvits argued that the charge is reasonable. In its statement of case the Respondent contends that annual ground rent demand notice is prepared by a secretary in the office, and then checked by a director to ensure that it is the current addition and includes the correct ground rent and allows the right amount of days until payment is due and states the correct period. In his oral evidence and submissions Mr Gurvits stated he himself undertook the administration of producing the ground rent demand and that the charge made was for that administrative process. When asked by the Tribunal to describe the component parts of that process summarised in the statement of case he stated that it comprises checking each lease every year to confirm the ground rent due, ensuring that the correct ground rent figure was demanded, ensuring that the demand was made in the prescribed and proper form, ensuring that the demand was sent to the correct recipient at the correct address, dealing with any lessee queries, monitoring and recording payment and accounting and reporting to the freeholder. He stated that it was important to check each lease for variations as "leases can change every day" and that as a property professional he reads the leases with care. He accepted that he is not a chartered surveyor or a member of ARMA or of any relevant professional association, but stated that he has 10 years' experience in the property management industry on top of a LLM qualification. He confirmed that his time is charged at £160 + VAT per hour for the administration of making the ground rent demand.

32. Mr Gurvits produced and relied upon the 'management agency agreement' between the Respondent and Eagerstates Ltd dated 10 November 2020 and confirmed that this is the agreement entered into once the RTM process had been completed and the same for each year to date. He confirmed, as the applicants had stated, that prior to the completion of the RTM process the charge for recovering the ground rent had been rolled into the annual management charge.

33. When questioned on the terms and content of the management agency agreement by the tribunal Mr Gurvits accepted that the fee agreement at appendix 1 confirmed the management fee as £50 + VAT per unit for the services specified at appendix 2. He further accepted that of the 26 services described in appendix 2 the vast majority are now undertaken by the RTM companies' appointed management agent. The only services undertaken by Eagerstates Ltd as managing agent for the respondent are "collecting ground rent as per the lease" and "liaising with the client as required". He further accepted that the remaining appendices 3 and 4 detailing further services are irrelevant to the post-RTM rights and responsibilities of the respondent. His explanation for this was that that this is a pro forma management agency agreement which is intended to cover "hundreds of properties" which Eagerstates Ltd manages for the respondent. When asked why its terms and conditions referred to the FSA which was dissolved in 2013 he accepted that it is an out of date pro-forma. Mr Gurvits accepted that the agreement does not accurately record the current scope of the management undertaken by Eagerstates Ltd for the Respondent, and that the entire document requires revisiting and radically amending if it is to accurately reflect the managing agency terms arise in relation to the current post-RTM rights and responsibilities of the Respondent.

Other documents in the bundle considered

34. The documents bundle provided includes three items of correspondence which presciently distil the dispute giving rise to these applications –

- An email from Sarah Wickens (flats 7 & 9) to Eagerstates Ltd dated 28 November 2019 asking "please identify the specific clause in the lease which entitles you to charge an administrative charge for issuing rent demands ?"

- A response from Eagerstates Ltd dated 29 November 2019 answering thus, "the lease allows for any management costs the freeholder incurs , and that includes the costs of collecting the ground rent".

- a letter dated 20 October 2020 from Janet Ingle (flat 8) to the respondent's managing agent Messrs Eagerstates Ltd in which she succinctly states "there is no provision for the collection of administration charge for ground rent in the lease. The only reference in the lease to such costs occurs in relation the service charge, not the collection of ground rent (sub-paragraph B of the definition of service costs)".

35. The hearing bundle also includes screen prints of the Companies House register in relation to Assethold Ltd and Eagerstates Ltd. Those records confirm that the same directors hold the same roles in each limited company and operate from the same address. The directors are Esther and Joseph Gurvits. The applicants do not contend that this is a sham arrangement but point to the close proximity of the companies and personnel.

Evidence, discussion and determinations

Case law cited

36. Mr Gurvits filed and made submissions on previous decisions of the First-tier tribunal (property chamber) in LON/00AU/LAC/2016/0009 (Re 104 Tollington Way), LON/00AH/LAC/2018/0004 (Re Newton House) and LON/00AF/LAC 2019/0016 (Re 7 Oaklands Rd). The respondents in those three cases were Assethold Ltd and each involved Eagerstates Ltd as its managing agent.

37. Whilst the Upper Tribunal is a superior court of record such that its decisions are binding on the First-tier tribunal, earlier decisions of the First-tier tribunal do not bind another First-tier tribunal. Those cited for the Respondent in this case are of limited assistance as, whilst they involve the same respondent and managing agent, they relate to different properties subject to different leases which include different covenants including in relation to service costs, service charges and management of the respective buildings.

Liability to pay

38. The liability issue before the tribunal distils down to whether the express agreed term in the lease which defines recoverable service costs as including "the reasonably and properly incurred costs fees and disbursements of any managing agent or other person retained by the landlord to act on the landlord's behalf in connection with the building" imposes liability on the lessee to pay a service charge to meet the charge of the managing agent to the Respondent landlord, for carrying out the administrative process of producing and serving the rent demand notice to give effect to the lease provisions imposing liability for rent on the lessee.

39. The tribunal has therefore carefully considered the 'service costs' definition *ejusdem generis* and construed the same to give the language used its natural and ordinary meaning in the context of the lease as a whole and having regard to the factual background of the lease and property it relates to.

40. The tribunal considers that, as a general principle of interpretation, if parties to a lease intend that a service charge should cover a particular type of service cost/expenditure they will expressly make that clear. It follows that if a covenant is unclear it should be read as having a narrower rather than a wider effect. However, that approach should not be applied to point where the language which was intended to encompass a variety of service costs which the lease does not explicitly catalogue should be construed so restrictively as to deprive it of any real effect. Language which is clear in the context of the lease even though not specific on the service costs may be sufficient.

41. The Tribunal considers that the building sits on the ground in respect of which the ground rent is due, and the individual demise of each flat located in the building is made by the lease. That lease clearly imposes a liability on the lessee to pay the annual rent by one sum paid by standing order or such other means as directed by the landlord, and to pay that sum by a date specified in the demand notice.

42. The Tribunal determines that the lease clearly therefore envisages the administrative process of producing and serving the rent demand notice to give effect to the lease provisions imposing liability for rent on the lessee, which process inevitably requires time to complete.

43. When the lease was written it did not forsee the RTM company acquiring the right to manage the building. No party has argued that the scope of the right to manage acquired includes the administrative process of recovering the rent due under the lease.

44. The Tribunal determines that the definition of 'service costs' which includes "the reasonably and properly incurred costs fees and disbursements of any managing agent or other person retained by the landlord to act on the landlord's behalf in connection with the building, includes the costs of engaging the managing agent to carry out the administrative process of producing and serving the rent demand notice to give effect to the lease provisions imposing liability for rent on the lessee.

Reasonableness of the sum demanded

45. The demand for payment of rent must be in the prescribed form with rent due calculated in the correct sum and the time for payment correctly stated. The River Court buildings contain 9 flats, each with identical leases providing for ground rent doubling every 25 years. The necessary notice is in prescribed form and readily available as an electronic template and only requires the insertion of minimal bespoke information. This is hardly substantive analytical work for a professional property management company. It is neither a complex or time-consuming procedure.

46. It follows that the Respondent's contentions that the ground rent due must be checked "every year" and that "leases change every day" are specious. The rent due is certain as set by the lease and requires no additional calculation or certification within each 25 year period. Any assignments, extensions, permissions or other 'changes' in relation to any lease can easily be noted on a record at the time where there are only 9 leases relevant to the buildings. For each accounting year a cursory check of the management file would be sufficient to confirm the rent due.

47. Mr Gurvits contended that the managing agent must account and report to the Respondent which is obviously correct. Eagerstates Ltd and the Respondent have the same directors holding the same roles in each limited company and operate from the same address. The tribunal considers that this 'accounting and reporting' work is therefore neither a complex or time-consuming procedure.

48. The tribunal endeavoured to ascertain how the "admin fee for rent collection" is calculated in the sum of £60 from each of the 9 flats in the 2 buildings which make up River Court and no adequate answer was provided given that Mr Gurvits stated in terms that he carries out the required work and charges £150 p/h to do so. He testified to 10 years experience in the property management industry but confirmed that he is not a member of ARMA or a chartered surveyor and has no other relevant property-related qualifications or memberships.

49. The tribunal raised the issue of how the Respondent ensures value for money in appointing Eagerstates Ltd as managing agent when both are so closely related and all relevant roles are undertaken by members of the Gurvits family, and no satisfactory answer was provided. The terms and content of the management agency agreement between the Respondent and Eagerstates Ltd reinforces this concern as it does not accurately record the current scope of the management undertaken and the entire document requires revisiting and radically amending if it is to accurately reflect the managing agency terms and the management of the River Court buildings.

50. The tribunal considers that an open market instruction to provide the administrative process of producing and serving the rent demand notices for the 9 leases in River Court could be achieved at the rate of £100 p/h, and that 2.5 hours is both adequate and reasonable to produce the necessary notices for all of the 9 leases. It follows that a reasonable "admin fee for rent collection" is £28 for each of the leases/flats.

51. The tribunal would not expect this charge to increase in future years as the increase in Rent is clearly provided for in nine leases in identical form and the demand notice requirements are prescribed by the statutory scheme, so that little research is necessary and can be dealt with in bulk.

Costs

52. Having regard to the outcome the tribunal does not consider that it is appropriate to make any orders requiring the Respondent to re-imburse the whole or part of the issue fee or hearing fee pursuant to Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.

53. In considering whether to exercise its power to award costs the tribunal had careful regard to section 29(2) of the Tribunals, Courts and Enforcment Act 2007 and Rule 13(1)(b) of the Tribunal Procedure (First-tier tribunal)(Property Chamber) Rules 2013 read against the overriding objective in Rule 3 of the 2013 Rules. The tribunal was also mindful of the guidance given by the Chamber President and Deputy President in *Willow Court Management Ltd v Alexander, Sinclair v Sussex Gardens RTM, Stone v Hogarth Rd Management Ltd [2016] UKUT 0290 (LC)*. The tribunal does not consider that any party has acted unreasonably in bringing, defending or conducting the proceedings and concluded that it is not appropriate to make any party costs order.

54. In respect of the Respondent's costs of the proceedings it was not argued that it is entitled to recover those costs as a service charge or administration charge under the terms of the River Court leases. Had such an application been made the tribunal would have been minded to grant the application for an order pursuant to s20C of the Landlord and Tenant Act 1985 to extinguish the Respondent's costs incurred in connection with these proceedings before the tribunal. The managing agent's pre-issue responses to the Applicants' queries about liability to pay the 'admin fee for rent collection' were cursory and did not identify or explain the relevant lease covenants. In such circumstances the application was both necessary and proportionate to determine this issue. A determination of the reasonableness of that charge was also necessary and proportionate and has resulted in a materially lower charge.

Stephen Reeder
Judge of the First Tier Tribunal, Property Chamber

21 June 2021

ANNEX

RIGHT OF APPEAL

a. **Rule 36(2) of the Tribunal Procedure (First-tier tribunal) (Property Chamber) Rules 2013 requires the tribunal to notify parties about any right of appeal they may have from its decision.**

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

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

d. **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.**

e. **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), must state the grounds of appeal, and must state the result the party making the application is seeking.**

f. **If the First-tier tribunal refuses permission to appeal, a further application for permission may be made directly to the Upper Tribunal (Lands Chamber).**