FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00AG/LSC/2022/0284**
Property	**:**	**23C Bartholomew Road London NW5 2AH**
Applicant	**:**	**Gabriel Turner**
Representative	**:**	**Jonathan Turner Counsel of 3 Stone Buildings**
Respondent	**:**	**23 Bartholomew Road (Freehold) Limited**
Representative	**:**	**SCS Law**
Type of application	**:**	**For the determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	**:**	**Judge H. Lumby** **Mr S. Mason BSc FRICS**
Venue	**:**	**10 Alfred Place, London WC1E 7LR**
Date of decision	**:**	**13 February 2023**

DECISION

Description of hearing

This has been a face-to-face person hearing. The documents that we were referred to are in a bundle of 511 pages, the contents of which the tribunal have noted. The order made is described at the end of these reasons.

Decisions of the tribunal

(1) The tribunal determines that the percentage of total service charge costs payable by the Applicant is 24%.

(2) The tribunal determines that the sum of £308.50 per annum is payable by the Applicant as a contribution by way of a reserve towards future redecoration expenditure in respect of the service charges for the years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026.

(3) The tribunal determines that the sum of £29.40 is payable by the Applicant as a contribution towards EDF's electricity bill dated 15/03/2021 in respect of the service charges for the year 2021/2022.

(4) The tribunal determines that nothing is payable by the Applicant as a contribution towards the cost of cleaning communal areas in respect of the service charges for the year 2021/2022.

(5) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord's costs of the tribunal proceedings may be passed to the Applicant as lessee through any service charge.

(6) The tribunal makes an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 in favour of the Applicant that none of the costs incurred by the Respondent in connection with these proceedings can be charged direct to the Applicant as an administration charge under the Applicant's Lease.

(7) The tribunal determines that the Respondent shall pay the Applicant £300 within 28 days of this Decision, in respect of the reimbursement of the tribunal fees paid by the Applicant.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of the service charge years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026.

2. For each of the years, he is challenging a requirement to pay into a reserve fund the sum of £630 per annum on the basis he considers that amount too high.

3. He is also challenging three other elements of the 2021/2022 service charge, namely the inclusion of a £72 cleaning contribution, £36.75 towards an EDF electricity bill and the credit of a so called reserve fund against service charge demands.

4. A key element of his challenge to these figures is the proportion of the service charge he should pay.

The hearing

5. The Applicant appeared and was represented by Mr Turner of Counsel (who is also the Applicant's father) at the hearing. The Respondent was represented by Mr Erridge of SCS Law.

6. In addition to the bundle, a skeleton argument was received in advance from the Applicant's representative. Witness statements were also received from the Applicant and, on behalf of the Respondent, from Marios Markou, Fiona Margaret Molloy (known as Molly), Simon Harjette and Stephanie Gwatkin. Evidence was heard from all of these except Mr Markou.

7. Immediately prior to the hearing the Respondent handed in further documents, namely extracts from Woodfall: Landlord and Tenant and a summary of a recent Supreme Court decision. The start of the hearing was delayed while the Applicant and the tribunal considered these new documents.

8. Both the Applicant and the Respondent attempted to produce fresh evidence during the hearing. It was determined in each case by the tribunal that this was too late to be considered and in any event was not material to the case.

The background

9. The property which is the subject of this application is a semi-detached house in Camden divided into three long-leasehold flats. The house originally had three storeys on the ground, first and second floors, but now has a significant basement excavated recently to provide additional accommodation for the ground floor flat. The ground floor flat has also been extended significantly into the rear garden, and part of the front garden has been removed to provide a light well for its basement extension.

10. The freehold was originally owned by the London Borough of Camden and the long leases were originally granted to tenants under the right-to-buy scheme. The freehold was subsequently acquired by the Respondent company, whose shares are owned equally by the lessees of the three flats.

11. The Applicant is the long leaseholder of the second floor flat (23C) and lives there. The long leaseholder of the first floor flat (23B), Fiona Molloy, lives abroad and rents it out. The long leaseholder of the ground floor flat (23A), is Stephanie Gwatkin. She lives in the flat with her partner, Simon Harjette.

12. The current directors of the Respondent are Ms Gwatkin and Ms Molloy, but Ms Gwatkin operates the company. Ms Gwatkin and Ms Molloy have refused to appoint the Applicant as a director or to let him participate in its management.

13. Each of the leaseholders holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. The specific provisions of the lease of Flat 23C (the Applicant's flat) will be referred to below, where appropriate.

The issues

14. At the start of the hearing the parties identified the relevant issues for determination as follows:

    (i) The proportion of the service charge payable by the Applicant.

    (ii) The payability and/or reasonableness of service charges for the years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026 relating to a reserve for future redecoration and other external expenditure.

    (iii) The payability and/or reasonableness of service charges for the year 2021/2022 relating to the charges for cleaning and an EDF electricity bill.

15. It was accepted that the tribunal could not determine issues relating to the payability of interest on late payments.

16. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made determinations on the various issues as follows.

Service charge proportion

17. The Applicant's lease addresses service charge apportionment in the Fourth Schedule. It gives various options, the first of which is based on relative rateable values in force at 31st March 1989; however if the rateable value system is abolished or disused (as has been the case), it can instead be apportioned by floor areas of the different units. The second option is where the costs extend to other buildings and is to be a fair and reasonable proportion determined by the landlord's finance officer. The final option is such other method as the landlord "shall specify acting fairly and reasonably in the circumstances and from time to time and at any time".

18. The relevant provisions are as follows:

"4. The annual amount of the Service Cost payable by the Tenant as aforesaid shall be the Specified Proportion calculated either by

4.1 dividing the aggregate of the expenses and outgoings incurred in respect of the Items of Expenditure by the Landlord in the Specified Annual Period to which the certificate relates by the aggregate of the rateable value (in force at the end of such period) of all the premises within the Building and then multiplying the resultant amount by the rateable value (in force at the 31st March 1989) of the Premises PROVIDED ALWAYS that in the event of the abolition or disuse of the rateable value system for properties the references to rateable values herein shall be substituted by a reference to the floor areas of all the premises in the Building (where applicable) and apportioned accordingly or

4.2 in the case of those items for which the Landlord's expenses extend to the Building or other Buildings then a fair and reasonable proportion of the costs thereof attributable to the Premises such proportion to be determined by the Landlord's Finance Officer whose decision shall be final and binding or

4.3 such other method as the Landlord shall specify acting fairly and reasonably in the circumstances and from time to time and at any time (including but without prejudice to the generality thereof any combination of methods)"

19. The Respondent argued that the tribunal did not have jurisdiction to determine the service charge proportion on the grounds of section 27A(4) of the Landlord and Tenant Act 1985. This provides that:

"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, …"

Subsections (1) and (3) are the rights to apply to the tribunal in relation to relevant service charge matters. This argument was based on the fact that the Respondent had offered to settle the apportionment at 30% and on 31st July 2021, the Applicant had emailed Ms Gwatkin, saying *"WRT service charges, I accept the offer for the 30% apportionment"*.

20. If the jurisdiction argument was not successful, the Respondent argued that the split should in any event be one third each, on the basis that this was previously agreed by the various owners (including the Applicant's predecessor) and is an equitable split. Alternatively, it argued that the percentage should be 30% on the basis that this figure had been offered to the Applicant and accepted by him (although Ms Gwatkin was clear that this offer had been withdrawn). Its position was that the lease gave no preference to any particular method of calculation and, following the Supreme Court in *Aviva Investors Ground Rent v Williams,* it was for the landlord to choose its preferred method with the burden on the tenant to show that this chosen route was unreasonable. The Respondent's case was that the ground floor did not benefit from some services such as the internal common parts as much as the other flats and a lower percentage than its size suggests was reasonable.

21. The Applicant argued that the apportionment should be on the basis of floor area, arguing that the substantial extensions carried out by Ms Gwatkin to the ground floor render any previous agreement on apportionment no longer appropriate. Following Ms Gwatkin's extensions to the ground floor, the appropriate split by reference to areas was Flat A (Ms Gwatkin) 55%, Flat B (Ms Molloy) 21%, Flat C (Applicant) 24%; these percentages have not been disputed by the Respondent. The Applicant argued that good maintenance is of more value to a larger and more valuable flat and it was normal for larger flats to pay a larger percentage of costs.

The tribunal's decision

22. The tribunal determines that the proportion of the service charge for the years in question payable by the Applicant is 24%. .

Reasons for the tribunal's decision

23. The tribunal considered the Respondent's argument that it did not have jurisdiction to determine this issue. Whilst the Applicant did indeed send an email accepting a 30% apportionment, the tribunal finds that it was as a result of misrepresentation on the part of Ms Gwatkin, in relation to the extent of the extension of her flat and the resultant areas; this led the Applicant to accept an offer on incorrect and misleading grounds. We find that the offer of a 30% apportionment was made during without prejudice discussions and was also accepted in part on the back of an agreement by the Respondent to the installation by the Applicant of a fibre optic cable; this was subsequently rescinded by the Respondent.

The failure to provide that consideration meant that there was not in any event any binding agreement. As a result, we find that there was no agreement by the Applicant to the 30% figure and so the tribunal does have jurisdiction to determine the service charge proportion payable by the Applicant.

24. The apportionment mechanism within the lease does allow the landlord to determine the proportions payable on a different basis to floor areas where a fair and reasonable landlord could reach the same conclusion. Agreement between the parties to a one third split could be such a basis but it is open in such circumstances for any party to rescind such agreement. In any event, any agreement to a one third each split was made by the Applicant's predecessor and would not be binding on him. Furthermore, the extensive works carried out by Ms Gwatkin made a reassessment of that split necessary anyway.

25. The Respondent argued that a one third or 30% apportionment to the Applicant was in any event still fair and reasonable after the works to the ground floor were carried out. Reference was made to the internal common parts as justification. This is not accepted by the tribunal. External works benefited the whole building and in some cases disproportionately the ground floor, for example the roof on the extension to the rear, the use of the garden, basement tanking and the greater wall area extent.

26. The tribunal considered whether a fair and reasonable landlord could have reached the decision the Respondent made on the apportionment and finds that it would not have. It is clear from the evidence, both documentary and oral, that Ms Gwatkin was using the service charge to enhance her own position and that this was her primary motivation. She was using the landlord vehicle to extend her own ownership (both in terms of the basement and the rear garden) at the cost of the company and to use the other tenants to subsidise the building maintenance for her benefit. This is not the behaviour of a fair and reasonable landlord.

27. We consider that, absent other fair and reasonable proposals, an apportionment on the basis of relative floor areas is the correct basis to be adopted here. The percentage split put forward by the Applicant has not been challenged by the Respondent and is therefore accepted by the tribunal. Accordingly, the correct proportion for the Applicant is 24%.

Reserve fund

28. The Respondent wishes to build up a reserve towards the future redecoration of the building and is claiming the amount of £630 per annum from the Claimant in respect of the service charges for the years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026. The Applicant accepts that a redecoration reserve may be built up but questions the yearly contribution payable by the tenants. As referred to

above, he is also questioning the proportion of that yearly contribution payable by him; we have already determined that this should be 24%.

29. The service charge provisions in the lease allow at paragraph 5 of the Fourth Schedule the landlord to charge "*such reasonable part of all such expenses outgoings and other expenditure herein included with the Items of Expenditure which are of a periodically recurring nature (whether recurring by regular or irregular periods) whenever disbursed incurred or made and whether prior to the Commencement of the Term or otherwise including a sum or sums of money by way of reasonable provision for anticipated expenditure in respect thereof as the Landlord may in its discretion subject to statutory restrictions (if any) allocate to the year in question as being fair and reasonable in the circumstances*".

30. The Fifth Schedule of the lease lists the Items of Expenditure referred to, including at paragraph 1 "*the expenses of maintaining repairing redecorating and renewing (or replacing as appropriate) amending cleaning repointing painting graining varnishing whitening or colouring the Building and all parts thereof including the glass in all windows (other than the interior surface of the windows of the Flat) and window frames and all the appurtenances apparatus and other things thereto belonging including those items described in Clauses 4.2 and 4.3*".

31. The Applicant accepts that these together allow the charging of contributions towards a reserve fund towards future redecoration. His issue is whether the amounts being charged are reasonable.

32. The Respondent has decided that the amount to be built up in the reserve fund should be £10,500, payable over five years, with a view to the redecoration occurring in 2026. The amount payable by each tenant is reached by dividing that amount by five (so £2,100 per annum) and then splitting that amount between the three flats. The amount payable by the Applicant each year was assessed at 30% of this, giving £630 per annum.

33. There are two issues for the tribunal to consider, first whether the total sum is reasonable and secondly whether collecting this over five years is reasonable.

34. The sum of £10,500 was based on the last bill for redecoration paid by the Respondent, being evidenced by a 2021 invoice from MX Decorators & Builders which was produced to the tribunal. The tribunal finds that this invoice was in fact produced in August 2022 by Ms Gwatkin, who had prepared it in conjunction with the contractor, having received a letterhead from the principal of MX Decorators & Builders, Mr Markou. It was established that Mr Markou was the only contractor invited to tender for the works. Payments in respect of the works can be seen to be paid to Mr Markou and others from the Respondent's bank account.

35. These works were meant to have been carried out five years after the last redecoration, although were in fact delayed by two years due to the pandemic.

36. The Respondent argued that the 2021 invoice was a suitable benchmark and that the effect of inflation would mean that this was likely to be an under-estimation in reality. It acknowledged questions about the veracity of this invoice but the cost of the redecoration can be established from the Respondent's bank accounts. It was for the tenant to show that this sum was unreasonable. A five year period between redecorations was reasonable, the Respondent pointing out the requirement of clause 3.9 of the lease on the tenant to redecorate its flat every five years.

37. The Applicant's case is that MX Decorators & Builders invoice was not real, having been produced by Ms Gwatkin, and reliance should not be placed on it. The Applicant had obtained substantially cheaper quotes for doing the works. In any event, he submitted that much of the work done by Mr Markou would not need to be done again in five years, citing the checking of "*all frames and sashes, balance weights, opening & replace sash cords where necessary",* the installation of *"wooden cills to 1st floor rear bedroom window plus any others required (up to 3 total)"*and the sanding/strip back of *"ground floor floorboards by entrance door, ready for stain and varnish"* (unnecessary as the floorboards are now covered by matting). He also argued that the soffits would not need repainting in five years' time, greatly reducing the need for scaffolding, which is a significant element of the cost of the works.

The tribunal's decision

38. The tribunal determines that the sum of £308.50 per annum is payable by the Applicant as a reserve towards future redecoration expenditure in respect of the service charges for the years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026.

Reasons for the tribunal's decision

39. The tribunal has not been asked to determine whether the costs charged to tenants in respect of the last redecoration was reasonable, instead whether the amounts paid for those works is a suitable basis for assessing the amount to be set aside for the next redecoration. It is accepted that the costs referred to were indeed incurred. However, the works were not competitively tendered so it is not clear whether they were a reasonable cost at that time. Mr Markou has provided a witness statement but this is of little assistance on this issue and he did not attend the hearing to provide evidence. Consideration also needs to be given as to the veracity of the Respondent's evidence given the creation of the MX Decorators and Builders invoice by Ms Gwatkin. Finally, it is the tribunal's opinion that much of the work carried out in the last redecoration will not be needed on the next redecoration, for example works to sash windows and

to the hallway – it was noted that Ms Gwatkin specifically referred to the high quality of paint used, which would suggest a longer life cycle.

40. As a result, the tribunal does not consider it reasonable to use the cost of the previous works as a benchmark for the next works and finds that no reasonable landlord would in the circumstances do so. As a result, it determines that the figure of £10,500 should be reduced by £1,500 to £9,000.

41. The tribunal does, however, accept that other works not covered by the 2021 redecoration may become necessary and so allowance should be made for this. Ms Gwatkin did explain that there was a separate reserve fund being built up to deal with emergency works, for example works to gutters or drains. The Respondent did not explain on what basis under the lease this fund was being collected and the tribunal has not been asked to make any findings in relation to this. The reserve fund would, however, appear to be several thousands of pounds and it is considered that this provides sufficient contingency for unforeseen items as well as the guttering and drainage works referred to as necessary as part of the next redecoration. As a consequence, the tribunal does not consider that any increase to the size of this sinking fund to cover this contingency is necessary.

42. It is suggested that the size of the reserve funds be reviewed each year to ascertain whether they remain at suitable levels.

43. Having established that the amount to be saved into the external decorating reserve fund at this stage should be £9,000, the tribunal considered whether a five year period was reasonable.

44. It was noted that there is no lease requirement to carry out external redecoration every five years. The Respondent has referred to the internal redecoration obligations on the tenant as evidence but this is not considered relevant. The previous gap was seven years and no evidence was provided to suggest that the level of works increased as a result of this delay. The use of good quality paint should mean that there can be longer gaps between redecorations. As a result, the tribunal does not consider that a five year cycle is reasonable and finds that a seven year interval is more appropriate.

45. The collection of the £9,000 for the sinking fund should therefore be spread over seven years, giving an annual contribution of £1,285 in aggregate.

46. The Applicant is responsible for a 24% share of this annual contribution and so his annual charge should be £308.50.

Cleaning costs

47. The Respondent has sought to recover the costs of cleaning the internal common parts through the service charge, as permitted by paragraph 6 of schedule 5 of the lease. The contribution requested from the Applicant for the 20/21 service charge year amounts to £72.

48. The tribunal found that historically cleaning was carried out by Ms Gwatkin without charge. After the Applicant acquired his flat, she felt that a charge should be levied for this but instead it was agreed that cleaning duties would be shared between the two of them, for what was referred to as a trial period. There was dispute between the parties as to whether cleaning was carried out, the extent of it and whether the trial period was ended. Ms Gwatkin purportedly sought to levy her own charge of £240 in total for cleaning after the end of the trial period. She settled her own invoice for this from the company bank account. She also admitted that she had stopped carrying out cleaning from October 2020.

49. The Respondent argued that the amount claimed was reasonable and produced evidence of the likely costs of using an external cleaner. It argued that there is established case law that a company can charge the cost of internal staff employed to provide services. It was a simple extrapolation to include the time spent by a director in providing services. Ms. Gwatkin was charging less than an external cleaner and so the charge was reasonable. It relied on the evidence of Ms Gwatkin and Mr Harjette that the Applicant has ceased cleaning and that she had done this instead.

50. The Applicant argued that a director of a company should not benefit from that position for their own betterment. They owed fiduciary duties to the company and should act to avoid any improper advantage being obtained. There was a clear conflict of interest and Ms Gwatkin should not have invoiced the Respondent or paid herself without the agreement of all the shareholders. In addition, he was not aware of Ms Gwatkin carrying out cleaning to the internal common parts.

The tribunal's decision

51. The tribunal determines that no amount is payable by the Applicant in respect of cleaning for the 2020/2021 service charge year.

Reasons for the tribunal's decision

52. There is clear conflict on the evidence here. Ms Gwatkin produced photographic evidence purporting to show a failure by the Applicant to clean properly but it was clear that this related to a period after she alleged the Applicant was no longer cleaning the common parts. The tribunal preferred the evidence of the Applicant on the extent of cleaning carried out to that of Ms Gwatkin and Mr Harjette. On balance, the tribunal was not satisfied that Ms Gwatkin had carried out any cleaning,

let alone the levels of cleaning used to justify her invoice. In addition, as there was extensive building work being carried out to the ground floor flat, it is likely that a reasonable proportion of any dust came from those works and so was the responsibility of Ms Gwatkin in any event.

53. In addition, the charging for cleaning by a director without obtaining the agreement of the shareholders, on a self-certified basis and without consultation, is not appropriate in the view of the tribunal. It is not reasonable for a service to be provided or charged for (or indeed paid for) on this basis.

54. On the basis that there is insufficient evidence of the cleaning claimed for being carried out, the tribunal finds that no sum is payable by the Applicant in relation to it.

Electricity contribution

55. The Applicant has questioned a charge of £36.75 payable by him as a contribution towards EDF's £122.50 electricity bill dated 15/03/2021 in respect of the service charges for the year 2021/2022. This charge predates his acquisition. He states that he specifically checked on the charges payable prior to his acquisition so that an on account payment could be made by his vendor to cover the period of his ownership. However, the amount paid was instead allocated towards a contribution towards smoke alarms which had been installed in the property. His claim is that the EDF charge has been paid by the vendor and its allocation to the smoke alarms is not relevant, as this is a mistake.

56. The Respondent argues that there has been no misallocation, the claim for the smoke alarms contribution is properly payable and recoverable from the tenant. The EDF bill may relate to a period prior to the Applicant's acquisition but it was actually billed after he had bought his flat and is rightly claimed.

57. The Applicant's argument is that the amount paid by his predecessor was for a specific purpose and it is not open to the Respondent to apply that payment for another purpose.

The tribunal's decision

58. The tribunal determines that the amount payable by the Applicant in respect of EDF's electricity bill dated 15/03/2021 in respect of the service charges for the year 2021/2022 is £29.40.

Reasons for the tribunal's decision

59. The building's accounts are operated on a cash basis. An on account payment was made but the smoke alarm costs had been incurred and were payable. The Respondent was entitled to apply sums received against costs it had incurred.

60. The EDF bill was received in the subsequent service charge year and the Respondent was entitled to charge the tenants all a share of this cost. It is therefore properly chargeable to the Applicant.

61. In any event, if the on account payment had been applied towards the EDF bill, the cost for the smoke alarm would still have been chargeable to the Applicant and so he is no worse off as a result.

62. The total bill was £122.50. We have established above that the Applicant's proportion of costs is 24%. His share is therefore £29.40.

Applications under s.20C and paragraph 5A and refund of fees

63. The Applicant made an application for a refund of the fees that he had paid in respect of the application and hearing. Having heard the submissions from the parties and taking into account the determinations above, the tribunal orders the Respondent to refund any fees paid by the Applicant within 28 days of the date of this decision.

64. The Applicant has applied for cost orders under section 20C of the Landlord and Tenant Act 1985 ("**Section 20C**") and under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("**Paragraph 5A**").

65. The relevant part of Section 20C reads as follows:-

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

66. The relevant part of Paragraph 5A reads as follows:-

"A tenant of a dwelling in England may apply to the relevant … tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs".

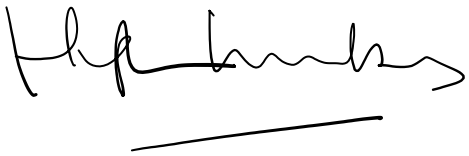
67. A Section 20C application is therefore an application for an order that the whole or part of the costs incurred by the Respondent in connection with these proceedings cannot be added to the service charge of the Applicant or other parties who have been joined. A Paragraph 5A

application is an application for an order that the whole or part of the costs incurred by the Respondent in connection with these proceedings cannot be charged direct to the Applicant as an administration charge under the Lease.

68. In this case, the Applicant has been mostly successful on the substantive issues whilst the need for the case has been exacerbated by the Respondent's conduct and approach. Having heard the submissions from the parties and taking into account the determinations above, the tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act. The tribunal therefore make an order in favour of the Applicant that none of the costs incurred by the Respondent in connection with these proceedings can be added to the service charge.

69. For the same reasons as stated above in relation to the Section 20C cost application, the Applicant should not have to pay any of the Respondent's costs in opposing the application. The tribunal therefore makes an order in favour of the Applicant that none of the costs incurred by the Respondent in connection with these proceedings can be charged direct to the Applicant as an administration charge under the Lease.

70. It is clear that the tribunal that there has been a substantial breakdown in the relationship between the Applicant and the directors of the Respondent. It is suggested that the parties look at the reasons for this breakdown and their own contribution to this and, in light of this, attempt to ensure that the provision of services and the payment for these is conducted on a more even, collaborative and equitable basis going forward.



Name: Judge H Lumby **Date:** 2 March 2023

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).