

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

IN THE COUNTY COURT at Reading, sitting by video conferencing at HMCTS

**Cambridge County Court.** 

Case reference Court number CAM/11UF/LSC/2022/0054

H10YY712

HMCTS code : V: CVPREMOTE

Property : 28 Tom Evans Court, Coningsby Road,

High Wycombe, Bucks HP13 5FF

Applicant Disraeli Court (High Wycombe)

**Management Limited** 

Representative : Mr Richard Miller – Counsel instructed

by KDL Law

Respondent : Mr Zafar Iqbal Ali

**Representative** : In person

Type of application : For the determination of the liability to pay service charges under section 27A of

the Landlord and Tenant Act 1985

**Judge Dutton** 

Tribunal members : Mr. N. Martindale FRICS

Mr A Kapur

In the County Court : Judge Dutton

Venue : Video hearing on 14 March 2023

Date of decision : 19 April 2023

#### **DECISION**

This decision takes effect and is 'handed down' from the date it is sent to the parties by the tribunal office:

This has been a remote video hearing which has been consented to by the parties. The form of remote hearing was, V: CVPEREMOTE. A face-to-face hearing was not held because no-one requested the same, and all issues could be determined in a remote hearing. The documents that we were referred to are in a bundle of 234 pages, and a second unnumbered bundle containing accounting papers the contents of which we have noted.

### Summary of Decisions of the tribunal

- (1) The tribunal determines that the sum of £8,064.00 is payable by the Respondent in respect of the service charges for the years January 2014 to December 2020 by 9 June 2023
- (2) The tribunal determines that the sum of £120 is payable by the Respondent in respect of administration charges on 20 October and 9 November 2020 by 9 June 2023
- The tribunal determines that the sum payable in respect of costs before it under the Third and Sixth schedule of the lease as assessed under the provisions of paragraph 5/5A Schedule 11 of the Commonhold and Leasehold Reform Act 2002 are £7,500 plus VAT of £1,500, Counsel's fees of £1,600 plus VAT of £320 and disbursements of £235.80, making a total of £11,155.80, payable by 9 June 2023
- (4) The tribunal makes no orders in respect of s20c of the Landlord and Tenant Ac t 1985 (the Act) it considering it just and equitable so to do.

## Summary of the decisions made by the Court

- (i) Legal costs under the Third and Sixth schedule of the lease in respect of Court costs are: £4,000 plus VAT of £800 and disbursements of £672.88 being the Court fee and Land Registry fees making a total of £5,472.88; are payable by the Respondent to the Applicant by 9 June 2023
- (ii) Interest at 8% in the sum of £1,000 also payable by 9 June 2023

#### The application

1. The Applicant seeks a determination pursuant to s.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") as to the amount of service charges and administration charges payable by the Mr. Ali in respect of the service charge years 2014 to 2020.

- 2. Proceedings were originally issued in the County Court Money Claim Centre under claim no. H10YY712. The claim was transferred to the County Court at Reading (High Wycombe) and then in turn transferred to this tribunal, by order of Deputy District Judge Harrop on 7 September 2022. The Order states "The matter be transferred to the First-tier Tribunals (property chamber) for determination."
- 3. Directions were issued in the First-tier Tribunal (FTT) by Judge Wayte on 17 November 2022. The directions provided at paragraph (3), (5) and (6) as follows:
  - (3) On 7 September 2022 Deputy District Judge Harrop ordered that the matter be transferred to the First-tier Tribunal for determination. In the circumstances, the Judge who eventually hears the case will deal with all the issues in the case, including interest and costs, at the same time as the tribunal decides the payability of the service and administration charges under section 27A of the Landlord and Tenant Act 1985 and Schedule 11 to the Commonhold and Leasehold Reform Act 2002. The Judge (sitting alone as a Judge of the County Court, at District Judge level) will make all appropriate County Court orders.
  - (5) The tribunal (or Judge, as appropriate) will also consider any application made by the leaseholder to limit the payment of legal costs as part of the service charge under section 20C of the Landlord and Tenant Act 1985 and/or any application to limit the payment of legal costs as an administration charge under paragraph 5A to Schedule 11 of the Commonhold and Leasehold Reform Act 2002.
  - (6) The Mr. Ali leaseholder may wish to seek legal advice at the earliest opportunity. Since these proceedings are claimed as a breach of their lease, the landlord is claiming costs. The final amount may exceed the charges in dispute and will increase as the matter proceeds to a hearing (subject to assessment by the Judge). In the circumstances, the leaseholder may wish to consider settling the proceedings unless they are advised that they have a complete defence to the amount in dispute.

## The hearing

- 4. The Applicant was represented by Mr Miller of counsel with Sonia Smith of Jennings & Barrett the managing agents at the hearing and the Mr. Ali appeared in person.
- 5. There was an initial issue we had to deal with.
- 6. Late on Friday evening 10 March 2023 Mr. Ali had emailed to the Applicant and the FTT, additional documentation he sought to rely upon.

These documents did not come to the attention of the FTT until Monday 13 March 2023, when it opened. The email contained a number of separate attachments and a video. The attachments sought to alter the Mr. Alis case by seeking to challenge Repairs and Maintenance for the years ending December 2014 to December 2020 by reference to invoices which did not, in his opinion, save for the year ending December 2020, equate to the sums claimed in the accounts for the years in question. He also raised a previously unaired problem relating to insurance, stating that he had obtained a cheaper comparable quote.

- 7. Mr Miller objected to this late change of tack by Mr. Ali. He told us in a skeleton argument and at the hearing that the Applicant had prepared its case based on the issues that had originally been raised by Mr. Ali, which centred around the interim payments requested for year as set out on a Scott Schedule Mr. Ali produced, which for each year challenges the sum of £1152 on the basis that no invoices were produced and offers £576 instead. Further if Mr. Ali were allowed to change his case it would necessitate an adjournment with resultant costs.
- 8. We put to Mr. Ali that if he was to press for the inclusion of this late documentation, we would need to adjourn the hearing to enable the Applicant to properly respond, and that in all likelihood he would have to pay the costs of the wasted day. He told us that he was in receipt of Universal Credit and was not able to make any payments.
- 9. We declined to allow Mr. Ali to introduce these papers. This case has been running since September 2021. He had indicated to the Tribunal at the beginning of March 2023 that he wanted to produce further papers and was told he would need to apply in short order. He did not do so instead leaving the lodgement of the papers until after the tribunal had closed, knowing that they would not reach either the Applicant or the Tribunal until the day before the hearing. He had received the bundle for the hearing well in advance with ample time to have reviewed the papers and clarified the issues. The demands he received for each on-account payment contained the statutory wording advising him of his rights. Further we had before us copies of the accounts for each year in dispute which appeared to show a surplus over the interim charges made.

# The background

10. Mr. Ali is the registered leasehold proprietor of Flat 28 Tom Evans Road, Coningsby Road, High Wycombe, HP13 5FF ("the Flat"). The Company is the registered freehold proprietor of the estate in which the Flat is situated. The estate consists of thirty flats let on long leases in identical terms, although the lease for the subject property provided to us was incomplete. However, we were provided with a copy of the lease to flat 29, which had been in the ownership of Mr. Ali, but said by him to have been repossessed, which contained the same terms. The Applicant is a company owned by the lessees.

- 11. Neither party requested an inspection, and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.
- 12. Mr. Ali 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 are referred to below:
  - a. Clause 2: "'Maintenance Charge" means (subject to the Agreement and Declaration in relation thereto contained in paragraph 8 of the Seventh Schedule) the proportion applicable to the Property (specified in Part III of the Sixth Schedule) of the sums spent or to be spent by the Management Company on the matters specified in the Fifth Schedule and so far as the same relate the matters specified in Part II of the Sixth Schedule as estimated or adjusted in accordance with Part I of the Sixth Schedule";
  - b. Clause 3: "The Buyer covenants with the Company and the Management Company and also as a separate covenant with every other person who is the registered proprietor of any part or parts of the Development and the Estate and each and every part thereof and with the intention of binding the Property in the terms specified in the Third Schedule";
  - c. Third Schedule, Paragraph 1(a)(i): The Mr. Ali covenanted "To pay to the Management Company the Maintenance Charge and the Rent on the days and in the manner herein provided without any deduction (whether by way of set off lien charge or otherwise) whatsoever";
  - d. Third Schedule, Paragraph 12: The Mr. Ali covenanted "To pay all expenses (including Solicitor's costs and surveyor's fees) incurred by the Company or the Management Company in the recovery of any arrears of Maintenance Charge or incidental to the preparation and service of any notice under Section 146 of the Law of Property Act 1925 (or any statutory modification reenactment or replacement thereof)

- notwithstanding that forfeiture is avoided (otherwise than by relief granted by the Court)";
- e. Sixth Schedule, Part I, Paragraph 1: "The Buyer shall within 14 days of receipt of demand therefor pay the Maintenance Charge to the Management Company (or to the Company if the Company is carrying out the obligations of the Management Company under the provisions of paragraph 3(a) of the Fourth Schedule)";
- f. Sixth Schedule, Part II, Paragraph 9: the Company can recover through the service charge "The costs incurred by the Management Company in bringing or defending any actions or other proceedings against or by any person whatsoever".
- 13. After the preliminary issue as to admissibility had been dealt with, Mr Miller gave a recap of the proceedings. It seems that a default judgment had been incorrectly entered against Mr. Ali in what was small claim in the County Court. A defence was filed, and the matter transferred to the FTT. He confirmed that in each year the sums demanded as on-account payments exceeded the sums actually spent and that accounts had been prepared by independent accountants for each year in dispute.
- 14. He called Ms Sonia Smith, the property's estate manager who had been with Jennings & Barrett (J & B) since 2018 and overseen the management of this development since 2019. Her statement was dated 15 February 2023 and was to be found at pages 47 to 52 of the bundle. We noted all that was said. She confirmed that the sum being claimed represented the on-account demands for the years January 2014 to January 2020, in each case in the sum of £1,152. In addition, there were administration charges due to non-payment in the sum of £120. She told us that the demands for the years including January 2018 had been sent to Mr. Ali by the previous managing Agents D&N management and Net Management, the latter being acquired by J & B earlier, it seems perhaps in 2015.
- 15. Her evidence was that she considered that Mr. Ali had not paid any service charges during the period in dispute because he had not been provided with invoices, he requested in 2015. She did not think he could rely on this alleged failure to justify not paying any service charges for the years in dispute. Further she confirmed that the statutory wording had accompanied every demand and that final accounts for the years had been produced.
- 16. In her view the development was well managed and even during the lockdown they were working behind the scenes and after about 6 weeks external issues, such as gardening and cleaning, with suitable

precautions resumed. The Applicant has recently completed a programme of major works, which have included improved security to counteract problems with homeless persons and improved lighting.

- 17. We were also told that these proceedings were not the first against Mr. Ali. There were arrears of service charges for the period 2009 to 2013 in the sum of £5,027.68, which were settled, it is understood, by Mr. Ali's mortgagees in 2015 in the sum of £5,237.68. It was averred that Mr. Ali had not voluntarily made service charge payments since 2008.
- 18. Mr. Ali then asked Ms Smith some questions on the statement she had provided. There was a discussion about email exchanges relating to insurance which Ms Smith said she had not seen, as well as apparent telephone exchanges. She did tell us that the insurance was dealt with on an annual basis by a broker. Ms Smith also queried why Mr. Ali had left the acquisition of an allegedly comparable insurance quote until so close to the hearing, he apparently having known about the hearing date since 10 January 2023.
- 19. As to the upkeep of the development Mr. Ali referred to a video he had taken and had tried to include with the documents submitted the day before the hearing. It was not clear whether Ms Smith had the chance to view this. She did tell us that she inspected the development on a regular basis, that there had been a project to clean the grounds which started in July 2022 and finished a couple months later and that there had been a significant amount of work undertaken. The works were required by the Board of the Applicant, who are residents and that she took instructions from them. She told us that such matters were discussed at the AGM. There was a vague challenge to the monthly management fee.
- 20. It was then the chance for Mr. Ali to put his case. He did not have the hearing bundles with him and had not made a statement. He sought to rely on a witness statement from Mr Mutahir Miah dated 28 December 2022 and a letter from Mr Ruksar Ahmed dated 2 January 2023.
- 21. Mr Miah attended the video hearing and told us that he was no longer living at the flat, but his wife and family were. He complained about the standard of maintenance, in particular cleaning, including window cleaning, and grounds maintenance. He told us that he worked in the morning so was around to see that the carpets had not, in his opinion been cleaned properly. He found Mr. Ali helpful.
- 22. Mr Ahmed complained about what he calculated to be the 34% increase in service charges. He confirmed that he paid by standing order and was up to date. He indicated that as a result of the increase in the service charges demanded on account he was proposing to sell his flat, the more so as he had not felt able to increase the rent he charged for some 5 years.

- 23. The bundle contained some photographs, apparently taken by Mr. Ali in January this year.
- 24. Mr. Ali was asked some questions by Mr Miller. He was asked whether he had been in contact with J & B, but it seems that he only time was last year. He said he may have discussed storage facilities but that his tenant, Mr Miah, had not raised any issues he needed to refer to J & B. He was asked whether he had used a solicitor to acquire the flat and that he knew he had a responsibility to pay the service charges. His response was that he was always willing to pay but he wanted a receipt. It was put to him that he had never willingly paid service charges. His response was that he had never denied he had to pay but wanted evidence of what had been spent. He denied that he wanted to see all invoices, just those for the larger items.
- 25. He was referred by Mr Miller to the accounts contained in the bundle from pages 134 onwards, for each year in dispute. It was put to him that the accountants, although not auditing, had reviewed the invoices. His response was that if they had seen them why he could not also see them. He was not aware that he was a shareholder in the Applicant and had no real response to the point that as the leaseholders "ran" the Applicant, they would not want to unnecessarily incur expense. He did not suggest that the accountants had produced false accounts.
- 26. In his closing submissions Mr. Ali reiterated that he had requested the production of invoices in 2015, but it seems not again until these proceedings were commenced and that he had never said he would not pay, just wanted evidence of costs incurred. He said he had made a number of attempts to resolve matters and had been threatened with costs by the solicitor for the Applicant, who he had apparently reported to the Law Society. He did not think he had been treated fairly. He had called witnesses but could not afford legal representation, although had contacted LEASE for some help.
- 27. Mr Miller for the Applicant had provided a number of authorities but relied in the main on the case of ENTERPRISE HOME DEVELOPMENTS LLP Appellant and CHRISTOPHER RICHARD DAVID ADAM Mr. Ali [2020] UKUT 151 (LC), in particular paragraphs 26 to 28. Paragraph 28 says this "Much has changed since the Court of Appeal's decision in Yorkbrook v Batten but one important principle remains applicable, namely that it is for the party disputing the reasonableness of sums claimed to establish a prima facie case. Where, as in this case, the sums claimed do not appear unreasonable and there is only very limited evidence that the same services could have been provided more cheaply, the FTT is not required to adopt a sceptical approach. In this case it might quite reasonably have taken the view that Mr Adam had failed to establish any ground for thinking the sums claimed had not been incurred or were not reasonable, which would

- have left only the question whether any item of expenditure was outside the charging provisions."
- 28. He reminded us that the accounts had been prepared by independent chartered accountants for each of the years and approved by the Board of Directors of the Applicant, the very people who have to pay the costs. The evidence of Mr Ahmed was, limited to 2021/2, at best and Mr Miah's evidence was also limited.

## The tribunal's decision

- 29. Taking into account all we heard and the papers before us, as well as the authority cited by Mr Miller, we determine that the amount payable by Mr. Ali in respect of service charges for the period 2014 to 2020 is £8,064, being the estimated-on account charges levied in each year, which we find are reasonable and payable. There is no evidence before us that these estimated charges were unreasonable, although it would seem that in each year, they exceeded the sums actually spent. Had Mr. Ali paid anything towards these costs he might be entitled to a refund.
- 30. Mr. Ali has not, in truth, engaged in these proceedings. They have been under way since 2021. He does not appear to have made any attempt to contact the Applicant to resolve the issues he sees as being subject to challenge. His attempt to introduce evidence at the 11<sup>th</sup> hour has been refused, but in truth even his late submissions were nothing more than a fishing expedition, centred on his allegation that the invoices produced to him did not add up to the sums shown in the accountants, although he produced nothing to show this. The estimated charges have not risen in the period in dispute, at £1,152 per annum and we find that they are reasonable and payable.
- 31. There was no challenge made before us to the small administration charge of £120 which we allow and should be added to the £8,064 to give a total liability of £8,184.00 for which judgment will be entered.

## Application under s.20C and refund of fees

- 32. In a letter dated 4 January 2023 Mr. Ali raised an application under s20C of the Act and para 5A of schedule 11 to the Commonhold and Leasehold Reform Act 2002. These applications can stand; indeed, the directions raised the issues.
- 33. Initially I was of the view that further directions might be needed to deal with the costs. All I had before me was the two N260's which reflected the changing hourly rates of the Applicant's solicitors. Mr. Ali had made the applications in his letter dated 4 January 2023 but had not added anything to this matter. In his closing he had raised what he said was his attempt to settle and indeed it seems that a cheque from the Building Society was tendered but rejected by the Applicant.

34. We make no order under s2oC of the Landlord and Tenant Act 1985 given our findings in respect of the service charges claimed.

#### **Assessment of costs**

- 1. On 11 August 2023 I wrote to the parties indicating how I would propose to deal with the costs and giving the parties until 19 April 2023 to disagree. Neither party did and indeed the Applicant's solicitors lodged three N260's splitting the costs both as to the charging rates but also as to County Court and FTT costs, for which I am grateful.
- 2. I told the parties that I would propose to deal with the costs as follows: (1) in respect of the proceedings in the county court (the parts of the proceedings which relate to county court matters), I would sit as a Judge of the county court (at District Judge level) to decide under the CPR whether to make an order in respect of the costs of those proceedings and, if so, assess the amount of those costs (bearing in mind the claimed contractual entitlement and the authorities noted in Khan), also deciding whether to make an order under para 5A of Schedule 11 to the 2002 Act in respect of those costs (i.e. whether it is just and equitable to reduce or extinguish those costs); and
  - (2) in respect of the proceedings in the tribunal, sit as a Judge of the tribunal to decide (under paragraph 5 of Schedule 11 to the 2002 Act) whether the costs of those proceedings are payable under the terms of the lease and assess which of those costs are reasonable, and decide whether to make an order under para 5A of Schedule 11 to the 2002 Act in respect of those costs (i.e. whether it is just and equitable to reduce or extinguish those costs).
- 3. The landlord's costs total some £27,258.24. The solicitors' work before county court and the tribunal was carried out by a grade A fee-earner at £225 per hour plus VAT, to 31 March 2022 and thereafter between £250.00 per hour and £275 per hour. The work was supported by a grade D fee-earner at rates varying from £150 per hour down to £100 per hour. In addition, there were disbursements, totalling £361.80, which includes tribunal fees, postage and land registry fees, the court fee of £654.88 and Counsel's fees of £1,600 plus VAT.
- 4. The Particulars of claim seeks the costs on a contractual basis and relies on clauses in the Third Schedule (clause 12) and in the Sixth Schedule Part II at clauses 2 and 9. I am satisfied certainly, that clauses 12 of the Third Schedule and clause 9 of the Sixth Schedule allow the recovery of the costs of these proceedings on a contractual basis and I have assessed them as such.
- 5. The Court accepts that costs can be awarded on a contractual basis, see *Chaplair Ltd v Kumari* [2015] H.L.R. 39. In so far as the FTT is concerned, it seems to me that the costs will be recoverable as a breach of the lease and would be payable, in effect as damages. That being the case I consider that the provisions of paragraph 5/5A Schedule 11 of the 2002 Act would apply to the FTT costs, they being administration

- charges and thus the costs must be reasonable. S51 of the Senior Court Act 1981 and CPR 44.2 apply to the County Court costs and have been borne in mind by me in this assessment.
- 6. The bulk of the costs rest in the FTT, the matter having been transferred to the tribunal by order dated 7 September 2022. Indeed, the N260 now before me shows a total of £18,658.16 being sought for the FTT claim and the balance, just around £8,600 for the Court claim.
- 7. Dealing with the Court costs element first. The National Guidelines indicate for a Grade A fee earner in National Band 1 to be £261 per hour and Grade D £126 per hour. These are not so far removed from the charging rates claimed by the Applicant's solicitors for me to interfere.
- 8. The first N260 is for the period to 31 March 2022. The sum claimed was £8,184, including small administration charges with over £2,400 interest charge. A small claim case. In this period there is an appropriate use of less expensive fee earners. On the details of work done I do not consider that all is recoverable from the Respondent. I find it surprising that nearly 6 ½ hours has been spent on correspondence with the Applicant and 3 ½ hours in correspondence with the Respondent, given his limited involvement. The judgment was wrongly entered, it seems, as a result of Court error, and I am unclear what the charge would be for 'file progression'. As to attendances on others I am unclear as to what these may be, but three hours seems excessive as presumably it would be amongst others, communicating with the Court. Taking these matters into account I reduce the first fee claim for the period to 31 March 2022 to £2,000 plus VAT of £400 and the claimed disbursements of £654.88 for the issue fee and land registry fees of £18 making a total of £3,072.88.
- 9. The second N260 is for the period 1 April 2022 to 7 September 2022 where the sum of £4,051.20 is claimed. Again, the time spent on correspondence with the Applicant is excessive, 6 ½ hours at the full grade A rate. Indeed, it seems that the involvement of lower grade fee earners did not happen in this period, save for one instance. So far as I am aware the application to strike out did not proceed and the costs associated are disallowed as is the file hand over fee as this would seem to be an internal expense. Taking these matters into account I propose to reduce the fees payable by the Respondent for this period to £2,000 plus VAT. This reflects the excessive time spent and the level of fee earner used. I am unclear what the Court fee of £108 was for, other then presumably the strike out application, which so far as I am aware did not proceed. Certainly, there is nothing in the bundles before me for the hearing. I therefore allow £2,400 inclusive of VAT for the costs to 7 September 2022.
- 10. I then turn to the costs claimed for the matter before the FTT which was from 8 September 2022 onwards. The total claimed is £18,658.16. The

question I must ask myself is whether this is reasonable. The usual rule before the FTT is that there is no costs liability, absent any unreasonable conduct on the party of the Respondent, which is not alleged. However, I accept that there is a contractual liability on the part of the Respondent. However, I find that the costs are recoverable as an administration charge and thus paragraph 5A to Schedule 11 of the Commonhold and Leasehold Reform act 2002 applies. I accept that the Respondent's letter dated 4 January 2023 to the FTT constitutes an application under s20C of the 1985 Act and under the 2002 Act, requiring me to make an assessment which is just and equitable.

- 11. Again, I find the time spent in correspondence with the Applicant to be excessive with the Applicant, in excess of 12 ½ hours. The same can be said of the correspondence with the Respondent. There is over 6 hours spent ion communication with others which seems high. In addition, there is, in my finding excessive use of Grade A fee earners.
- Turning then to the schedule of work done which now stands at 12. £6,800.50. I disallow the consideration of past proceedings as I am unclear as to the relevance of this cost. The same applies to the diarising of dates, which is surely part of the hourly rate and something undertaken by either a lower grade fee earner or administrative staff. There is much time spent on compiling statements of costs, both drafting and finalising. The Scott Schedule has the same replies for each year save 2021. I cannot see it would have taken nearly an hour to deal with this document. The time spent in collating the bundles is high, although I accept, they were of a good standard. The statement of Sonia Smith is 6 pages long and a time of 4 ½ hours seems excessive. I am not aware of a consent order, which did not appear on the original N260 for this work and the drafting of the statement of costs for a further nearly 7 hours is unexplained. I consider that a reasonable, just and equitable sum for this element would be £3,500.
- Taking the matter in the round I consider that a just and equitable figure for the costs **before the FTT would be £7,500 plus VAT of £1,500**. In so far as Counsel fees are concerned, I suppose it is possible that attendance at the Case Management Hearing could have been handled by a fee earner from the solicitors but I doubt there would be much difference in the cost. The attendance of Counsel at the hearing was reasonable and there was no claim for attendance by instructing solicitors and therefore I see no need to reduce these elements. I would like to see Counsel's fee notes to confirm the fees. The hearing fee of £200 is clearly payable and although there is no receipt for the postage I allow same.
- 14. In total, therefore, the overall costs would be:

 $\underline{\mathcal{E}}$  Solicitors' costs 11,500

Grand total	£16,628.68
VAT on solicitors' and counsel's fees	2,620
Disbursements	908.68
Counsel's fees	1,600

#### Rate of interest

With the regard to interest, the landlord sought this at the lease rate of 12%, or in the alternative at the Court rate of 8%. Mr Ali made no submission. This was the matter for my discretion. In my view, the statutory rate of 8% is quite adequate for this element. The Applicant in the Particulars of claim set out the interest rate calculation without giving a final total. In addition, it refers to the sum of £5,027.68 as being due whereas the proceedings claimed £8,064 (excluding the administration charges of £120) and this figure is that which is argued for by Counsel in the skeleton argument produced for the hearing. I propose to calculate the interest at 8% from the date proceedings were commenced on the sum claimed of £8,084 giving a daily rate of £1.77. The period is from 2 September 2021 until 24 April 2023 (599 days) giving a total of £1,060.23 but say £1,000.

#### 16. **Conclusion**

- 17. By way of conclusion, we make the following awards in favour of the landlord:
  - (i) Service charges: £8,064
  - (ii) Administration charges: £120;
  - (iii) Legal costs before the County court of £5,472.88 and before the FTT in the sum of £11,155.80 (see para: 4 and 5 under Assessment of costs) as summarily assessed
  - (iv) Interest of £1,000

Name: Judge Dutton Date: 19 April 2023

# **ANNEX - RIGHTS OF APPEAL**

*Appealing against the tribunal's decisions* 

- 1. A written application for permission must be made to the First-tier Tribunal at the Regional tribunal office which has been dealing with the case.
- 2. The application for permission to appeal must arrive at the Regional tribunal office within 28 days after the date this decision is sent to the parties.
- 3. 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.
- 4. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers
- 5. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.

## Appealing against the County Court decision

- 1. A written application for permission must be made to the court at the Regional <u>tribunal</u> office which has been dealing with the case.
- 2. The date that the judgment is sent to the parties is the hand-down date.
- 3. From the date when the judgment is sent to the parties (the hand-down date), the consideration of any application for permission to appeal is hereby adjourned for 28 days.
- 4. The application for permission to appeal must arrive at the Regional <u>tribunal</u> office within 28 days after the date this decision is sent to the parties.
- 5. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers.
- 6. If an application is made for permission to appeal and that application is refused, and a party wants to pursue an appeal, then the time to do so will be extended and that party must file an Appellant's Notice at the appropriate <u>County Court</u> (not Tribunal) office within 14 days after the date the refusal of permission decision is sent to the parties.
- 7. Any application to stay the effect of the order must be made at the same time as the application for permission to appeal.

Appealing against the decisions of the tribunal and the County Court

In this case, both the above routes should be followed.