FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00AJ/LSC/2024/0725** **LON/00AJ/LSC/2025/0612**
Property	**:**	**Various flats at Poplar Court, Old Ruislip Road, Northolt, UB5 6QG**
Applicant	**:**	**Neelam Malik & co-applicants listed on the application.**
Representatives	**:**	**Shammi Malik, Rachel Hopla, Ian Fergus**
Respondent	**:**	**Avon Ground Rents Limited (AGR)**
Representatives	**:**	**Richard Granby of counsel, instructed by Scott Cohen Solicitors Ltd**
Type of application	**:**	**Liability to pay services charges**
Tribunal	**:**	**Judge Adrian Jack,** **Tribunal Member S Johnson MRICS,** **Tribunal Member Jayam Dalal**
Date of Decision	**:**	**7th January 2026**

DECISION

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1. By applications dated 24th November 2024 and 6th December 2024 various tenants seek a determination under section 27A of the Landlord and Tenant Act 1985 in respect of certain service charges. The tenants also seek an order for the limitation of the landlord's costs in the proceedings under section 20C of the Landlord and Tenant Act 1985 and an order to reduce or extinguish the tenant's liability to pay an administration charge in respect of litigation costs, under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

Appearance by counsel alone

2. This matter was listed for a substantive hearing over 24th and 25th November 2025. Various tenants appeared and we deal with the issues arising from their representation below.

3. The landlord appeared by counsel instructed by Scott Cohen Solicitors Ltd. No one from that firm of solicitors appeared. More importantly no one from the respondent landlord or the managing agents appeared. In consequence, counsel was severely restricted in what he could say, since counsel could not give evidence himself. He was also restricted in what concessions he could make as the case proceeded. Further, various evidential issues could not be dealt with as and when they arose.

4. The failure to ensure that counsel was adequately instructed to deal with all matters which might arise at a final hearing is potentially a breach of the respondent's duties under The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 rule 3, the Overriding Objective. Relevantly this provides:

> "(4) Parties must—
> (a) help the Tribunal to further the overriding objective; and
> (b) co-operate with the Tribunal generally."

5. The result was that the hearing was substantially slower than it would otherwise have been. Further the inability of counsel to give evidence meant that the Tribunal's determinations are necessarily less satisfactory than if the respondent's case had been put on the basis of instructions given in the course of the hearing.

6. We accept that the respondent was not in breach of any evidential order, such as under rules 18 or 20 and that in the absence of such orders a respondent is entitled not to adduce oral evidence. Nonetheless a respondent is under a continuing duty of co-operation. This duty often cannot be performed unless some person with knowledge of the case attends a substantive hearing before the Tribunal. The current case in our judgment is a quintessential example of the need for this.

Who are the applicants?

7. Mr Granby raises an issue as to who the applicants are. He submits:

> "8. It is not clear that there is any validly constituted application, the Applications name 'Neelam Malik and Co-Applicants Listed in Appendix 1' naming 'Shammi Malik as representative'... It is unclear (as the signature is illegible) who signed the applications..., the forms of authority (as to which, again, see below, name 'Shammi Malik' rather than Neelam Malik)

9. The Respondent proceeds on the basis that neither Mr nor Ms Malik is an authorised person within the meaning of the Legal Services Act 2007.

10. These applications were not accompanied by written notices of appointment for any of the 'Co-Applicants' or (if relevant) Ms Malik complying with Rule 14 which (materially) provides:

> '(1) A party may appoint a representative (whether legally qualified or not) to represent that party in the proceedings.
> (2) If a party appoints a representative, that party must send or deliver to the Tribunal and to each other party written notice of the representative's name and address.
> (3) Anything permitted or required to be done by or provided to a party under these Rules, a practice direction or a direction may be done by or provided to the representative of that party except—
>
> > (a) signing a witness statement; or
> > (b) sending or delivering a notice under paragraph (2), if the representative is not a person who, for the purposes of the Legal Services Act 2007, is an authorised person in relation to an activity which constitutes the exercise of a right of audience or the conduct of litigation within the meaning of that Act.'

11. It is the party not the representative who must give the written notice to the Tribunal and to each other party, the appointed representative is expressly not entitled to send or deliver such notice (Rule 14 (3) (b)).

12. The starting point is that, assuming Ms Malik signed the statement of case, it is Ms Malik and only Ms Malik who is an applicant in this case — if Ms Malik did not sign the application then there are no Applicants at all. Respectfully subsequent directions about who is represented in the application put the cart before the horse – the first question is who is a party to the application, only once that is determined can who represents the party be considered.

13. Both applications were accompanied by a schedule of what are said to be 20 co-applicants… Of these only one, Mr Fergus, appears in the correspondence in the course of the litigation (although Ms Hopla has been 'cc'd' to a number of emails).

14. The Respondent having raised the point the Tribunal wrote to the parties on 2 May 2025 (Judge Hawkes) stating that any Applicant who wished to be represented by another person was to comply with Rule 14 by 4pm 8 May 2025. While this was (it is submitted) clearly an attempt at a practical solution it was not a

full procedural answer as it presupposed that there were Applicants other than Ms Malik although on a practical level this need not have mattered as anyone "coming forward" at that point might have been simply added as a party with appropriate revision to the directions.

15. On 13 May 2025 (i.e. 5 days after the deadline) Mr Fergus e-mailed the Tribunal cc'ing the Respondent's solicitor enclosing 13 'letters of authority'. These have dates ranging from 2023 to 2025 but are all in [a] form… which appear to relate to the instruction of Trowers and Hamlins LLP to act in potential proceedings rather than Ms Malik (or Mr Fergus).

16. Moreover there was no compliance with Rule 14 – the letters do not appoint a representative in the proceedings (other than, arguably, Trowers and Hamlins LLP who do not act) and were not given by the signatories.

17. The bundle contains 10 letters of authority, one of which is dated 9 June 2023 and is in the form complained of above [43]. The remaining 9 still do not comply with Rule 14 as they are not given by the signatory (or a person authorised to conduct litigation under the Legal Services Act 2007).

18. Even if the letters did comply with Rule 14 it would not serve to make the signatories parties – that would require their addition and appropriate directions as discrete points might arise in respect of specific leaseholders (for example, estoppel or pre-existing determinations)."

8. When the Tribunal began sitting, there were present the following: Shammi Malik, who is not a tenant, but is the brother of Neelam Malik, the tenant of Flat 18; Neelam Malik herself, although she was not in good health and did not remain at the hearing; Rachel Hopla, the tenant of Flat 21; George Prince and Louise Prince, the tenants of Flat 23; and Ian Fergus, the tenant of Flat 17. Apart from Mr Malik, all of them expressed their keenness to be parties to the litigation.

9. Originally there was a tenant who owned four flats, Flats 6, 7, 11 and 22. However, these flats have all been sold to the respondent landlord and the tenant is no longer party to the applications.

10. Of the other tenants listed in the application forms, the position is this. Hanan Karzoun, the tenant of Flat 9, has given an authorisation dated 24th November 2025. In this and in each of the cases of the other tenants, the authorisation names Mr Malik, Ms Hopla and Mr Fergus as representative. (The other authorisations we mention below are also very recent.) Subject to his other points, Mr Granby accepted that this form of authorisation was in good form to permit the three representatives to act as representatives.

11. The tenants of Flat 10, Bachubahi Devrai Kala and Kailasben Kala, attended the Tribunal during the hearing and gave authorisations in form similar to that of Mr Karzoun. Similar authorisations were given for Brian Kearns, the tenant of Flat 14; Michael Oxley, the tenant of Flat 16; Julie Wallis, the tenant of Flat 24; Elizabeth Elsie York, the tenant of Flat 27; Annick Jacqueline Hooge, the tenant of Flat 28; and Nigel John Baldwin, the tenant of Flat 32.

Commented [AJ1]: Going through the list of tenants, I cannot remember what was provided as evidence of representation for Sivkov, Flat 4; Munroe, Flat 5; Kleijnstrup-Jenson and Fidalgo, Flat 12; and Syposz and Syposz, Flat 31. Do either of you remember? Mr Malik was pretty clear that he was authorised by all of the applicants, but was he relying on the old 2022-23 authorisations?

Commented [2]: No sorry.
Jayam

12. Insofar as there are any procedural issues as raised by Mr Granby in his submissions, The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 provide, so far as material:

> "(1) An irregularity resulting from a failure to comply with any provision of these Rules, a practice direction or a direction does not of itself render void the proceedings or any step taken in the proceedings.
>
> (2) If a party has failed to comply with a requirement in these Rules, a practice direction or a direction, the Tribunal may take such action as the Tribunal considers just, which may include—
> (a) waiving the requirement…"

13. In our judgment this is an appropriate case for waiving any defects. If the proposed applicants or some of them were not parties to the application, the sole result would be that they would have to issue a fresh application, with consequential waste of costs for all parties and a waste of Tribunal resources. The Overriding Objective treats these as important considerations when exercising the Tribunal's powers.

14. Further we have the power in rule 10(1) of the Procedure Rules to add parties. Insofar as any of the tenants who wish to be applicants are not already parties we add them as applicants.

The premises

15. The premises consist of 32 purpose-built flats with 29 garages, all built in about 1961. The block is four storeyed with four entrances. Each entrance leads on to a separate set of stairs and a lift. There are two flats on each storey. There is no flat 13, so the separate entrances are to Flats 1-8, Flats 9-17, Flats 18-25 and Flats 26 to 33. The handover from the previous landlord was on 1st January 2017.

Sinking fund and reserve fund

16. In the bundles are the leases of various flats. The leases were granted in 1962 (flat 5: Mr Munroe), 1972 (flat 18: Ms Malik; and flat 21: Ms Hopla) and 1984 (flat 23: the Princes). There are small differences between the leases, but the provisions for service charges are identical. Clause 4(b) is the lessee's covenant to pay service charges and Schedule 4 to the leases sets out the services for which the landlord can charge. There is provision for the payment of monies on account (although the

actual provisions are hopelessly out-of-date), but no provision for the making of any reserve or sinking fund.

17. Notwithstanding the absence of any power in the leases to create a sinking fund or a reserve fund, the previous landlords appear to have demanded such monies from tenants and the tenants appear to have paid. The accounts for the year ending 25th December 2016 show £81,772 held as a "Major works lift reserve — Flats 18-25" and a "General reserve fund carried forward" of £52,030.

18. No accounts appear to exist for the year ending 25th December 2017. The accounts for the year ending 25th December 2018 show "Reserve Fund monies held to be transferred" of £126,172. By this time, the former lessors had transferred ownership to Avon Grounds Rents Ltd. Y & Y Management Ltd signed these accounts off on 5th May 2020, but note that the £126,172 was "not yet transferred". The report of Raffingers LLP, the accountants, signed off on 13th May 2020 noted that "the balance of service charge monies shown on page 3 of the service charge accounts differs from the bank statement for the account in which the funds are held by £50,705." Another £6,857 in expenditure was claimed "for which no receipts nor documentary evidence has been seen".

19. The tenants raise other accounting matters, but these are in our judgment not matters which are before us. The Tribunal's primary jurisdiction is to determine the payability of service charges. Its jurisdiction to determine what monies have been paid is very limited. In the current case, if there had been a power to demand contributions to a sinking fund or a reserve fund, then in assessing whether the sum sought by way of such contributions was reasonable, the Tribunal could examine what sum was already held in the sinking fund or the reserve fund, or what sums should have been. The Tribunal could hold that a particular contribution sought was unreasonable, on the basis that there should already be sufficient held by the landlord.

20. In the current case, however, there is no power for the landlord to demand contributions to a sinking fund or a reserve fund. There is no collateral issue for us to determine as to what monies are in the sinking fund and the reserve fund. Accordingly, we simply disallow contributions sought by the landlord.

Facias, guttering and drains

21. The evidence, both of the tenants and from the invoices, shows that there were longstanding problems with the guttering, which caused repeated flooding of various flats. The guttering needed replacing on both the flats and the garages. The guttering could not, however, be replaced, because the facias behind the guttering were rotten. The landlord failed timeously to replace the facias. This resulted in workmen being repeatedly called out to deal with flooding caused by the defective gutters. However without more extensive works, which

would have required a cherry-picker or scaffolding, there was only modest remedial work that could be done. This resulted in work having to be repeated in successive years. We set out the individual items in the Scott Schedule and how we have treated the cost of the often ineffective work.

22. On 5th November 2024 the landlord purported to start Stage 1 of the consultation in respect of replacing the guttering and facias, however, the tenants' uncontradicted evidence is that the landlord did not serve any of the tenants with the Stage 1 notice.

23. There were also repeated problems of drains blocking. The evidence is that this was caused by a build-up of limescale. In our judgment there is no fault shown on the landlord's part in this. It was not suggested by the tenants that a water-softening system should be installed (and there is no provision of the lease which could provide for this). As a result, the landlord in our judgment had no alternative but to react as it did when blockages occurred.

Lifts

24. The four lifts at the property were all the original installations from 1961. By the years with which we are concerned, the lifts were well past their expected lifespans. The consequence was that the lifts broke down frequently. Plans were made to replace the lifts, but these were complicated by the need to deal with the asbestos which was widely used in the early 1960's.

25. The lift replacement contract was supervised by Mr Gareth Lomax. The tenants intended to call him to give evidence on the afternoon of the second day of the hearing. However, Mr Lomax was delayed in arriving and ultimately decided that he had to go to another meeting instead of coming to the Tribunal. The tenants had not served a witness statement from Mr Lomax. They were not obliged to, since the Tribunal's directions were merely permissive in this regard. The result is, however, that Mr Lomax's evidence is simply a blank. We may not and do not speculate as to what he might have said.

26. Mr Granby puts the landlord's case in this way:

> "66. Major works to the lifts were clearly a significant expenditure, the figure identified in the schedule is £491,400…
>
> 67. The Applicants' Reply (fairly) states this at paragraph 45 [electronic/86]. The Applicants are not stating that they expect to pay no amount at all, but rather they challenge the reasonableness of some of the costs and the huge discrepancy between estimated and final costs.
>
> 68. The Respondent would note that the cost of 's.20 works' do not include related professional fees…

> 69. Notice of intention dated 4 January 2021 is at [S/489-491], a statement of estimates dated 26 January 2022 is at [S/491 – 492], the cost of Lift Syndicate was estimated at £350,000 + VAT the total cost at £409,500 plus VAT [S/493].
>
> 70. On the face of the statement of estimates the lowest tender was Unique Lifts at £338,776 plus VAT however their tender [S/530–550] was considered not to include builders works and therefore not comply with the specification (and, with indicative costs at £25k per lift, with 4 lifts, not as cost effective as it appeared) [S/589 para 4.03].
>
> 71. Accordingly the Respondent's primary position is accordingly that it appointed the contractor who gave the 'lowest estimate' and there was, accordingly, no need to serve further notice. If that is wrong, dispensation is sought in the statement of case – if any the failure by the Respondent was not to fail to consult but to fail to give reasons following consultation, there is no prejudice. It is not suggested that there were any responses by leaseholders for the landlord to consider.
>
> 72. Thereafter (on advice – para. 46 of the SOC) the contract was novated when Lift Syndicate became insolvent to a new company with the same director, Elevator Maintenance Company Ltd, the only significant invoice to that company is at [S/352]. If dispensation is required then it is sought, the Respondent took a pragmatic step to finish the lift works expeditiously. There is no suggestion that at that stage the works could have been finished more cost effectively."

27. The tenants' case is somewhat different. They say only some of the tenants received the Stage 1 notice. Ms Malik was one tenant who did not. The Stage 2 notice is dated 26th January 2022. The tenants say that this was received until 1st February 2022. There is no evidence to gainsay this and we accept their evidence. The Stage 2 notice required comments by 28th February 2022. This is less than the "relevant period" for providing comments, which is thirty days: see the definition in regulation 2(1) of The Service Charges (Consultation Requirements) (England) Regulations 2003. No Stage 3 notice was given: see Mr Granby's skeleton at para [71].

28. It follows that the Stage 1 notice is invalid in respect of some tenants and the Stage 2 notice in respect of all the tenants. Mr Granby asserts that there can be no prejudice from the landlord's failure to serve a Stage 3 notice. As we will explain, this is not necessarily the case.

29. The tenants dispute Mr Granby's assertion that there were no "responses by leaseholders for the landlord to consider" after the Stage 2 consultation. On the contrary the tenants produce a text message

sent to Aaron Bloom at the managing agents on 16th March 2022 by Ms Hopla. In this, she said (inserting capitalisation):

> "I had a quick look on Companies House at the list of companies you had put forward and was surprised that Lift Syndicate was your company of choice for the following reasons:
> 1. Only been in operation for a short period of time.
> 2. Don't seem to have any money only debts.
> 3. Only have listed one employee.
> 4. Had a strike against them.
>
> This seemed odd considering that most of the other companies have been in operation much longer have better accounts and more employees."

30. Her observations were prescient. Darko Stavrick, the owner of Lift Syndicate Ltd, had a poor financial history with various lift companies associated with him previously going into liquidation. Lift Syndicate Ltd started work in June 2022, but by late June 2022 it walked off site. According to Ms Prince, this was because the landlord had not paid the company. Lift Syndicate Ltd resumed work in February 2023, but then stopped work when it went into what became a creditors' voluntary liquidation on 10th May 2023.

31. The tenants have been in contact with the liquidator. A number of matters of concern arise which the landlord has wholly failed to answer. In particular, there are in the bundle two copies of a Lift Syndicate Ltd invoice INV-5192 dated 28th February 2023, said to be due 31st March 2023 for £69,344.48. One copy (S/339) shows no payments having been received. The other (electronic/103) shows payments of £29,719.05. We consider that this is suspicious and calls for an explanation, but the landlord has proffered none. At paras [40] and following in their Reply the tenants raise other detailed concerns.

32. After Lift Syndicate Ltd's insolvency, the landlord substituted Elevator Maintenance Co Ltd. This appears to be another Phoenix company of Mr Stavrick. The substitution was affected with no consultation at all. There must be substantial doubts about Mr Stavrick's suitability for continued employment.

33. Unless and until dispensation is given to the landlord under section 20ZA of the 1985 Act, the amount recoverable against each tenant is currently limited to £250 per flat in respect of the major works to the lift. At present, the only section 20ZA application is the informal request made in the landlord's statement of case. We do not consider that this is a sufficient basis for us to exercise our section 20ZA jurisdiction. A landlord in our judgment must make a formal application for relief. This is for two reasons. First, there is a fee to pay, which the Tribunal can only waive in cases of indigency. Second, although section 20ZA applications can be straightforward, the current case is anything but obvious. On the contrary, detailed directions will need to be given for a fair determination of such an application. The

circumstances in which the contract came to be given to Mr Stavrick's two companies are suspicious, as is the payment record. Any section 20ZA application in this case needs careful investigation.

34. Accordingly, the Tribunal will declare that only £250 per flat is recoverable in respect of the major works to the lifts, but that this is without prejudice to the landlord's right to apply for relief under section 20ZA.

35. We should add that there is a separate issue raised by the tenants about lift maintenance. The lift maintenance work in 2022 and was part of the major works contract: see Lift Syndicate Ltd's tender at S/521 (taken over by Elevator Maintenance Co Ltd). The lift maintenance contract in 2024 was not with Lift Syndicate Ltd and there is no evidence that the maintenance was the subject of a long term qualifying agreement. Accordingly, the lift maintenance sums claimed in 2023 and 2024 are not subject to a cap.

Costs

36. As to the fees payable to the Tribunal, in our judgment the applicants have had a substantial degree of success and it is right that the respondent should reimburse them for these costs, which comprise an issue fee of £110 and a hearing fee of £227, a total of £337.

DECISION

(a) Insofar as any of the applicants listed in the Schedule of Applicants are not already parties, we add them as applicants pursuant to rule 10(1) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 and pursuant to rule 8(1) and (2)(a) waive any procedural defects in the applicants' application.

(b) We determine that the sums payable by the applicants to the respondent are as set out in the Scott Schedule attached to this decision.

(c) We order that the respondent do within 28 days pay the applicants £337 in respect of the fees payable to the Tribunal.

Signed: Judge Adrian Jack **Date: 7th January 2026**

SCHEDULE OF APPLICANTS

Velislov Sivkov, Flat 4
Troy Munroe, Flat 5
Hanan Karzoun, Flat 9

Bachubahi Devrai Kala and Kayilasben Kala, Flat 10
Maria Delfina Da Conceicao Bilreiro Klejnstrup-Jenson and Jose Alexandre Salgueiro Fidalgo, Flat 12
Brian Kearns, Flat 14
Michael Oxley, Flat 16
Ian Fergus, Flat 17
Neelam Malik, Flat 18
Rachel Hopla, Flat 21
George Prince and Louise Prince, Flat 23
Julie Wallis, Flat 24
Elizabeth Elsie York, Flat 27
Annick Jacqueline Hooge, Flat 28
Michal Syposz and Katarzyna Syposz, Flat 31
Nigel John Baldwin, Flat 32

SCHEDULE OF LEGISLATION

Landlord and Tenant Act 1985 (as amended)

Section 18

(1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
   (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
   (b) the whole or part of which varies or may vary according to the relevant costs.

(2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.

(3) For this purpose -
   (a) “costs” includes overheads, and
   (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19

(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
   (a) only to the extent that they are reasonably incurred, and
   (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard;

   and the amount payable shall be limited accordingly.

(2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

(1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to—
(a) the person by whom it is payable,
(b) the person to whom it is payable,
(c) the amount which is payable,
(d) the date at or by which it is payable, and
(e) the manner in which it is payable.

(2) Subsection (1) applies whether or not any payment has been made.

(3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to—
(a) the person by whom it would be payable,
(b) the person to whom it would be payable,
(c) the amount which would be payable,
(d) the date at or by which it would be payable, and
(e) the manner in which it would be payable.

(4) No application under subsection (1) or (3) may be made in respect of a matter which—
(a) has been agreed or admitted by the tenant,
(b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
(c) has been the subject of determination by a court, or
(d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.

(5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

Section 20

(1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either—
(a) complied with in relation to the works or agreement, or

(b) dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal .

(2) In this section "relevant contribution", in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.

(3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.

(4) The Secretary of State may by regulations provide that this section applies to a qualifying long term agreement—
(a) if relevant costs incurred under the agreement exceed an appropriate amount, or
(b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.

(5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount—
(a) an amount prescribed by, or determined in accordance with, the regulations, and
(b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.

(6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.

(7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.]

Section 20B

(1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.

(2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

Section 21B

(1) A demand for the payment of a service charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to service charges.

(2) The Secretary of State may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.

(3) A tenant may withhold payment of a service charge which has been demanded from him if subsection (1) is not complied with in relation to the demand.

(4) Where a tenant withholds a service charge under this section, any provisions of the lease relating to non-payment or late payment of service charges do not have effect in relation to the period for which he so withholds it.

(5) Regulations under subsection (2) may make different provision for different purposes.

(6) Regulations under subsection (2) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

The Service Charges (Consultation Requirements) (England) Regulations 2003

REGULATION 2(1)

In these regulations… "relevant period', in relation to a notice, means the period of 30 days beginning with the date of the notice…

SCHEDULE 4 PART 2

CONSULTATION REQUIREMENTS FOR QUALIFYING WORKS FOR WHICH PUBLIC NOTICE IS NOT REQUIRED

Notice of intention

1.—(1) The landlord shall give notice in writing of his intention to carry out qualifying works—

(a) to each tenant; and

(b) where a recognised tenants' association represents some or all of the tenants, to the association.

(2) The notice shall—

(a) describe, in general terms, the works proposed to be carried out or specify the place and hours at which a description of the proposed works may be inspected;

(b) state the landlord's reasons for considering it necessary to carry out the proposed works;

(c) invite the making, in writing, of observations in relation to the proposed works; and

(d) specify—

(i) the address to which such observations may be sent;

(ii) that they must be delivered within the relevant period; and

(iii) the date on which the relevant period ends.

(3) The notice shall also invite each tenant and the association (if any) to propose, within the relevant period, the name of a person from whom the landlord should try to obtain an estimate for the carrying out of the proposed works.

Inspection of description of proposed works

2.—(1) Where a notice under paragraph 1 specifies a place and hours for inspection—

(a) the place and hours so specified must be reasonable; and

(b) a description of the proposed works must be available for inspection, free of charge, at that place and during those hours.

(2) If facilities to enable copies to be taken are not made available at the times at which the description may be inspected, the landlord shall provide to any tenant, on request and free of charge, a copy of the description.

Duty to have regard to observations in relation to proposed works

3. Where, within the relevant period, observations are made, in relation to the proposed works by any tenant or recognised tenants' association, the landlord shall have regard to those observations.

Estimates and response to observations

4.—(1) Where, within the relevant period, a nomination is made by a recognised tenants' association (whether or not a nomination is made by any tenant), the landlord shall try to obtain an estimate from the nominated person.

(2) Where, within the relevant period, a nomination is made by only one of the tenants (whether or not a nomination is made by a recognised tenants' association), the landlord shall try to obtain an estimate from the nominated person.

(3) Where, within the relevant period, a single nomination is made by more than one tenant (whether or not a nomination is made by a

recognised tenants' association), the landlord shall try to obtain an estimate—

(a) from the person who received the most nominations; or

(b) if there is no such person, but two (or more) persons received the same number of nominations, being a number in excess of the nominations received by any other person, from one of those two (or more) persons; or

(c) in any other case, from any nominated person.

(4) Where, within the relevant period, more than one nomination is made by any tenant and more than one nomination is made by a recognised tenants' association, the landlord shall try to obtain an estimate—

(a) from at least one person nominated by a tenant; and

(b) from at least one person nominated by the association, other than a person from whom an estimate is sought as mentioned in paragraph (a).

(5) The landlord shall, in accordance with this sub-paragraph and sub-paragraphs (6) to (9)—

(a) obtain estimates for the carrying out of the proposed works;

(b) supply, free of charge, a statement ('the paragraph (b) statement') setting out—

(i) as regards at least two of the estimates, the amount specified in the estimate as the estimated cost of the proposed works; and

(ii) where the landlord has received observations to which (in accordance with paragraph 3) he is required to have regard, a summary of the observations and his response to them; and

(c) make all of the estimates available for inspection.

(6) At least one of the estimates must be that of a person wholly unconnected with the landlord.

(7) For the purpose of paragraph (6), it shall be assumed that there is a connection between a person and the landlord—

(a) where the landlord is a company, if the person is, or is to be, a director or manager of the company or is a close relative of any such director or manager;

(b) where the landlord is a company, and the person is a partner in a partnership, if any partner in that partnership is, or is to be, a director or manager of the company or is a close relative of any such director or manager;

(c) where both the landlord and the person are companies, if any director or manager of one company is, or is to be, a director or manager of the other company;

(d) where the person is a company, if the landlord is a director or manager of the company or is a close relative of any such director or manager; or

(e) where the person is a company and the landlord is a partner in a partnership, if any partner in that partnership is a director or manager of the company or is a close relative of any such director or manager.

(8) Where the landlord has obtained an estimate from a nominated person, that estimate must be one of those to which the paragraph (b) statement relates.

(9) The paragraph (b) statement shall be supplied to, and the estimates made available for inspection by—

(a) each tenant; and

(b) the secretary of the recognised tenants' association (if any).

(10) The landlord shall, by notice in writing to each tenant and the association (if any)—

(a) specify the place and hours at which the estimates may be inspected;

(b) invite the making, in writing, of observations in relation to those estimates;

(c) specify—

(i) the address to which such observations may be sent;

(ii) that they must be delivered within the relevant period; and

(iii) the date on which the relevant period ends.

(11) Paragraph 2 shall apply to estimates made available for inspection under this paragraph as it applies to a description of proposed works made available for inspection under that paragraph.

Duty to have regard to observations in relation to estimates

5. Where, within the relevant period, observations are made in relation to the estimates by a recognised tenants' association or, as the case may be, any tenant, the landlord shall have regard to those observations.

Duty on entering into contract

6.—(1) Subject to sub-paragraph (2), where the landlord enters into a contract for the carrying out of qualifying works, he shall, within 21 days of entering into the contract, by notice in writing to each tenant and the recognised tenants' association (if any)—

(a) state his reasons for awarding the contract or specify the place and hours at which a statement of those reasons may be inspected; and

(b) there he received observations to which (in accordance with paragraph 5) he was required to have regard, summarise the observations and set out his response to them.

(2) The requirements of sub-paragraph (1) do not apply where the person with whom the contract is made is a nominated person or submitted the lowest estimate.

(3) Paragraph 2 shall apply to a statement made available for inspection under this paragraph as it applies to a description of proposed works made available for inspection under that paragraph.