HM COURTS & TRIBUNALS SERVICE

LEASEHOLD VALUATION TRIBUNAL

Case Number: CHI/18UB/LSC/2011/0150

PROPERTY: Tanyards Court, Beer Road, Seaton, Devon, EX12 2PA

Applicants: Mrs V S Harrison and other leaseholders

and

Respondent: Jephson Homes Housing Association Limited

In The Matter Of

Section 27A and 20C of the Landlord and Tenant Act 1985 (Liability to pay service charges)

Tenants' application for the determination of reasonableness of service charges for the year 2010/2011.

Tribunal
Mr A Cresswell (Chairman)
Mr W Gater FRICS ACIArb
Mr P Groves

Date of Hearing: 16 March 2012

Appearances: Mr G Singer for the Applicants
Mr J Evans for the Respondent

DETERMINATION

The Application

1. On 18 October 2011, Mrs Harrison, the owner of the leasehold interest in Flat 3, and other leaseholders, made an application to the Leasehold Valuation Tribunal for the determination of the reasonableness of the service charge costs claimed by the landlord of the property, for the year ended 31 March 2011. The application referred, amongst other matters, to the apparent unreasonableness of management charges.

Preliminary Issues

2. At the Pre Trial Review on 6 December 2011, the issues had been agreed as follows:

   Year ending 31 March 2011: Sums of £8381.43 and £42.24
   The Applicants claim that insufficient details of the Service Charge Expenditure have been supplied in respect of "Skinners" invoices of £8381.43 and £42.24 and ask the Tribunal to determine whether those amounts are reasonable. They claim that the works to which the 2 invoices relate were unreasonably incurred and that the work was not satisfactory. They claim that the Service Charge was used to collect from all tenants monies due from individual tenants because the 2 invoices were added to the Service Charge, yet contained elements of costs due for payment by individual tenants (window winders). They claim that Velux windows were installed rather than double glazed units; that the original windows had not been properly maintained; that different glass was installed to that agreed; that windows were replaced across the property in conflict with what had been agreed.

3. The Tribunal informed the parties that claims 6 to 10 detailed by the Applicants after the Pre Trial Review did not appear to relate to the issues to be determined by the Tribunal, as identified at the Pre Trial Review. The purpose of the Pre Trial Review had been, in good part, to establish the issues so that both parties could prepare fruitfully for the main hearing. Claims 6 to 10 did not appear, in any event, to relate to service charges made by or to be made by the Respondent, such that the Tribunal would not have jurisdiction to hear those claims in relation to this Respondent.

4. The Tribunal heard evidence and submissions by Mr Wild, Mrs Harrison, Mr Singer, Mr L Kendall and Mr Brewer (son of one of the Applicants) for the Applicants and by Mr Evans for the Respondent. Subsequent to the hearing,

the Tribunal received written submissions from Mr Evans, Mrs Harrison and Mr Kendall relating to the Velux windows at the property, and in the case of Mr Evans relating to his costs.

Inspection and Description of Property

5. The Tribunal inspected the property on 16 March 2012 at 10.30 am. Present at that time were Mrs V Harrison, Mr V Wild and Mr G Singer, three of the Applicants, together also with Mr J Evans, Housing Manager for the Respondent. The property in question consists of 32 one and two bedroom retirement flats, joined in the same complex to 2 retail units. Although the Respondent is a social housing landlord, the property is not social housing.

Summary Decision

6. This case arises out of a tenants' application, made on 18 October 2011, for the determination of liability to pay service charges for the year 2010 to 2011. Under Sections 19 and 27A of the Landlord and Tenant Act 1985 (as amended) service charges are payable only if they are reasonably incurred. The Tribunal has determined that the landlord has not demonstrated that all of the charges in question were reasonably incurred. We detail below our specific findings.
7. The Tribunal allows the Applicants' application under Section 20c of the Landlord and Tenant Act 1985, thus precluding the Respondent landlord from recovering its cost in relation to the application by way of service charge.

Directions

8. Directions were issued on 6 December 2011 at a Pre Trial Review. These directions provided for the matter to be heard at an oral hearing.
9. The Tribunal directed that the parties should submit specified documentation, relevant to the issues identified, to the Tribunal for consideration.
10. This determination is made in the light of the documentation submitted in response to those directions and the oral evidence and submissions at the hearing.

The Law

11. The relevant law is set out in sections 18, 19 and 27A of Landlord and Tenant Act 1985 as amended by Housing Act 1996 and Commonhold and Leasehold Reform Act 2002 and the cases to which we refer.

12. The Tribunal has the power to decide about all aspects of liability to pay service charges and can interpret the lease where necessary to resolve disputes or uncertainties. Service charges are sums of money that are payable – or would be payable - by a tenant to a landlord for the costs of services, repairs, maintenance or insurance or the landlord's costs of management, under the terms of the lease (s18 Landlord and Tenant Act 1985 "the 1985 Act"). The Tribunal can decide by whom, to whom, how much and when service charge is payable. A service charge is only payable insofar as it is reasonably incurred, or the works to which it related are of a reasonable standard. The Tribunal therefore also determines the reasonableness of the charges.

13. The relevant law is set out below:

Landlord and Tenant Act 1985 as amended by Housing Act 1996 and Commonhold and Leasehold Reform Act 2002

18 Meaning of "service charge" and "relevant costs"

(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.

19 Limitation of service charges: reasonableness

(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 provision 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.

27A Liability to pay service charges: jurisdiction

(1) An application may be made to a leasehold valuation 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 a leasehold valuation 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 postdispute 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.

(6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—
(a) in a particular manner, or
(b) on particular evidence,
of any question which may be the subject of an application under subsection (1) or (3).
(7) The jurisdiction conferred on a leasehold valuation tribunal in respect of any matter by virtue of this section is in addition to any jurisdiction of a court in respect of the matter.

London Borough of Sutton v Drake and Others LRX/69/2004:
The cost of taking them out (windows) and putting them back would clearly be part of the costs of repair. They were unavoidably damaged in the process of removal, so that the cost of restoring the damage would also be part of the costs of repair.
The approach of the LVT in paragraph 64 of its decision – that, since the Crittall windows were not themselves out of repair when in situ, their replacement constituted an improvement – was, in our view, incorrect since it failed to take into account that it was necessary to deal with the windows as part of the works of repair. The LVT did not address itself to the question whether, given that the windows had to be dealt with as part of the works of repair, it was reasonable to replace them with new double-glazed units as an alternative to making good the damage that they had suffered in removal and then securing them in place again.

In the following case there was a not dissimilar term in the lease to the lease for Tanyards Court: **Minja Properties Ltd v Cussins Property Group plc and others** [1998] 2 EGLR 52 (Harman J):

The landlord covenants with the tenant: ...
(b) to maintain and keep in good and tenantable repair the main walls, roof, roof beams, structural floors, structure, window frame (excluding glass) and the exterior of the building, sewers and drains, serving the building.
Harman J:
Those authorities which, it seems to me, clear the odd doubt, establish that it is beyond question that renewing a part of a building by replacing it is within the obligation of a covenant to repair that thing; though you are not, to use a different word, "patching up" and leaving there the original thing with some bits added to it, but taking out the original thing and putting in a new one, that is "repair", so long, always, as one is dealing with only part of the whole structure.
There is ample evidence for me to be convinced here that ***the additional cost*** *of using frames that will take double glazing and, in due course,* ***of installing two panes of glass where one was before****, since it will fall to the landlord who has damaged the glass to replace with new glass,* ***is*** *of a comparatively trivial amount, a question purely of degree and* ***quite incapable of being*** *an alteration of a kind so as to constitute a renewal and* ***not within the covenant of repair.***
The proposed works are within the covenant, are necessary to be performed and are a reasonable and proper method of carrying out the landlord's covenant to repair.

Craighead v London Borough of Islington (2010) UKUT 47 (LC): *It was proper that the Respondent should comply, in doing the repairs, with the relevant Building Regulations.*

Ownership and Management

14. The Respondent was both landlord freeholder and manager of the property for the year in question. It sold the freehold on 1 June 2011.

The Lease

15. Mrs Harrison holds Flat 3 under the terms of a lease dated 2 March 1988, which was made between Jephson Second Housing Association Limited as lessor and Edgar Wallace Martine and Marjorie Agnes Martine as lessees. Jephson Second Housing Association Limited has since changed its name to that of the Respondent.

THE THIRD SCHEDULE
(Covenants by the Purchaser)

1 : 1 To pay to the Association the yearly rent hereinbefore reserved (if demanded) and to pay the Maintenance Charge

THE FOURTH SCHEDULE
PART I
(General Covenants by the Association)

PART II

3. To keep the roof foundations and external parts [including external walls and loadbearing walls and external doors and windows save the glass in any Flat doors and windows] of the Property and all other Buildings comprised in the Development in good and substantial repair and to paint or otherwise treat (as may be appropriate) as often as may be reasonably necessary in a proper and workmanlike manner and with suitable materials of good quality such external parts of the Property and all other Buildings comprised in the Development and all internal and external parts of the Warden's Office as are usually painted or otherwise treated

5. To keep the Common Parts clean and tidy and in a proper state of repair and condition

6. To maintain tidy and cultivated any grassed areas gardens or floral areas (if any) within the Common Parts

9 : 1 To keep the Development (including the Warden's Office) and the Property insured at all times from loss or damage by fire flood and such other risks and perils as the Association shall from time to time determine in a sum equal to the full rebuilding costs thereof (including the removal of debris) for the time being together with an adequate sum in respect of architect's and surveyor's fees and in the event that the Property shall be destroyed or damaged as aforesaid to lay out such moneys towards the reinstatement or rebuilding of the same subject nevertheless to the proviso contained in paragraph 7 of the Third Schedule

THE FIFTH SCHEDULE

PART I

(Covenants in respect of the Maintenance Charge)

1. The Association shall as soon as reasonably practicable after the commencement of the Service Charge Year prepare an estimate of the sums to be spent by it in such Service Charge Year on the matters specified in Part II of this Schedule and shall add thereto or deduct therefrom (as may be appropriate) any difference between:
   (a) the amount certified in accordance with paragraph 3 hereof; and
   (b) the amount of the estimate prepared in respect of the previous Service Charge Year (except the first Service Charge Year) making due allowance for any sums paid out of the reserve Fund or the income thereof and shall serve on the Purchaser notice of the total amount so calculated
2. The Purchaser shall pay to the Association a sum equal to the Specified Percentage of the total amount specified in such notice
3. The Association shall keep an account of the sums spent by it in each Service Charge Year on the matters specified in Part II of this Schedule and shall as soon as practicable after the end of such Service Charge Year at the request of the Purchaser provide the Purchaser with a written summary of the costs so incurred certified by a qualified accountant (as defined in Section 28 of the Landlord and Tenant Act 1985)

PART II

(Expenditure to be recovered by means of the Maintenance Charge)

1. The sums spent by the Association in and incidental to the observance and performance of the covenants on the part of the Association contained in Part II of the Fourth Schedule and Part I of this Schedule
2. All fees charges expenses salaries wages and commissions paid to any Auditor Accountant Surveyor Valuer Architect Solicitor or any other agent contractor or employee whom the

Association shall employ in connection with the carrying out of its obligations under this Lease and the Leases including the costs of and incidental to the preparation of the estimate notices and accounts referred to in Part I of this Schedule

3. All further sums reasonably paid by the Association in and about the repair maintenance decoration cleaning lighting and running of the Buildings the Common Parts and the Warden's Office and the Development whether or not the Association was liable to incur the same under its covenants herein contained
4. Any Valued Added Tax or other Tax incurred by the Association in connection with the carrying out of its obligations under this Lease and the Leases
7. The costs of management of the Property and the Development including the costs of preparing and auditing accounts and printing and sending out of notices circulars reports or accounts and all fees payable to the Government or any other body
8. The cost to the Association of performing any of the covenants and obligations on the part of the Association so far as the same relate to the Development or the Property
9. Such sum as the Association shall properly determine as reasonable to be set aside in any year towards the Reserve Fund to make provision for expected future capital expenditure

PART III
(The Reserve Fund)

1. The Association shall establish and thereafter maintain under its control a fund to be known as "the Reserve Fund" to make provision for future substantial capital expenditure
2. The Association shall pay into the Reserve Fund (when recovered from the Purchaser and the other tenants under the Leases as part of their respective Maintenance Charges) such sums as it shall properly determine as reasonable to be set aside in accordance with paragraph 9 of Part II of this Schedule
3. The Association shall from time to time apply the whole or any part or parts of the capital and income of the Reserve Fund in or towards the defrayment of any substantial items of capital expenditure falling within Part II of this Schedule as the Association may in its absolute discretion determine

Service Charges In Issue

Claim 1: Velux Window Replacement (£2545 + VAT)

16. Below is what the Tribunal recorded in its determination of 12 December 2010:

Insurance

The Applicants *argue that there may have been a failure to claim insurance in respect of repairs to flashings on the western face of the property in the vicinity of the Velux Windows in 2007 following structural damage during a severe storm. The work which followed, to repair the damage, was included in the service charge for that year. A resident paid for the urgent replacement of*

three double glazed window pane units because the seals had been ruptured and the resident was not reimbursed even though glass is covered by the building insurance. The damage was not reported to the insurance assessor. Soon afterwards, the same Velux window frame units were inspected by Kendall Kingscott in February 2008 as part of the building conditions survey and reported as needing urgent replacement because they were distorted and inefficient.

***The Respondent** says in April 2007, the maintenance officer, Janet Golding, visited the scheme and inspected the Velux Windows at 33 and found that the windows were not damaged, and that the glazing repair issues were age related and not caused by an insured event, with the consequence that no claim was made on the insurance policy. The glazing panels which were, by then, at least 20 years old had not misted as part of an insured event and the glazing is not a responsibility of the landlord. In February 2008, the initial survey report by Kendall Kingscott indicated that window replacement be considered as they were now warped. By this time, the leaseholder had replaced the glazing.*

***The Tribunal finds it cannot reach any relevant finding as to the recoverability of the cost of window and glass replacement by individual leaseholders.** Whether or not a claim should have been made against the insurance policy for the property is not relevant to our consideration as to whether the service charge is payable or reasonable. Any such claim would more properly be brought in the County Court, with the proviso that it must be acknowledged that wear and tear would not be covered by insurance.*

17. We now move on to the immediate hearing.

18. **The Applicants** say that the replacements should have formed part of an insurance claim for storm damage. The Applicants were unable to point to any new evidence on this issue since the determination of the Tribunal of 12 December 2010.They did refer to what was recorded in a letter from the Applicants to the Respondent, which we will refer to later said by the Applicants to be an admission that the Respondent did not as a matter of policy pursue small insurance claims. The Applicants argue further that the specification of UPVC windows was changed to wood, and that the two materials have different lifespans and different maintenance requirements,

and the Applicants were concerned about the lack of maintenance of the property. Days before the hearing, the Tribunal received correspondence from Mr Kendall attaching papers relating to the replacement of glass in windows of Flats 1 and 3 with safety glass. Those papers were shared with the parties at the hearing and Mr Evans was given an opportunity to respond in writing to the Tribunal with his views generally in relation to the payability of costs for glass replacement at the building. Mr Singer, when this matter was raised very late in the hearing, adopted the argument of Mr Kendall to the effect that any glass forming part of the Velux windows and in Claim 2 below should not form a part of the service charge, because glass in the windows, in accordance with the lease, is the responsibility of individual tenants. Mr Singer told the Tribunal that the Applicants were not saying that the cost of £2545 + VAT for the Velux windows replacement was unreasonable.

The Respondent says the replacement of the Velux windows was detailed in the specification of required works and that the tender report was provided to the Applicants. He told the Tribunal that it is not custom and practice to break down a specification so as to show the cost of every individual item. He said that there had not been an admission by Mr Canning of the Respondent of any policy not to pursue small insurance claims, and he was able to point to an insurance claim which had been made by the Respondent in 2008 for storm damage to flashings. He pointed out that there was no admission by Mr Canning, and that the reference to such an admission appeared in a letter from Mr Palmer, Chairman of the Residents' Association, of 31 May 2006 which the Respondent had responded to, refuting the suggestion.

The Tribunal was satisfied that there was a requirement to replace six Velux windows because of their condition and the fact that the double-glazed units were misting. The units had been in place since 1987 and had reached the end of their usability. The Applicants agreed that it was necessary and, therefore, reasonable to replace the six windows. We were satisfied that there was no new evidence since the previous hearing to suggest that the issue was one of insurance, and that it appeared far more likely to be a question of wear and tear. We agreed with the Applicants that the cost of £2545 + VAT was a reasonable cost for six Velux windows- noting that the price was obtained by open tender. The choice of Velux windows over UPVC was made on the basis of professional advice, and in the experience of the

Tribunal such windows are an acknowledged market leader. We find that the replacement of the windows was in accordance with the Respondent's requirements to repair under Part II of the Fourth Schedule of the lease, having regard to the caselaw noted above. It is clear from **London Borough of Sutton v Drake and Others** and **Minja Properties Ltd v Cussins Property Group plc and others** that the repair encompassed the whole window unit including glass, such that the cost of the glass would not fall to the individual tenants. This is also in line with what the Applicants were told at the consultation meeting with the Respondent and Kendall Kingscott of 16 July 2009. This situation could also properly be considered to be covered by paragraph 3 of Part II of the Fifth Schedule, as Mr Evans points out in his written submissions: All further sums reasonably paid by the Association in and about the repair maintenance decoration cleaning lighting and running of the Buildings the Common Parts and the Warden's Office and the Development whether or not the Association was liable to incur the same under its covenants herein contained. **In short, we find that the replacement of the six Velux windows was reasonable and that the whole cost is both reasonable and one which is payable as part of the service charge.**

19. **Claim 2: Velux Window Overhaul (£5165 + VAT)**

The Applicants argue that it would have been more reasonable to replace Velux windows with UPVC because of the different lifespans and maintenance requirements and the history of a lack of maintenance at the building. The Applicants believed that the Velux windows were at their life's end. They pointed out that the panes were removed so as to allow renovation and that new panes and seals were then required. They said that they were told in July 2009 by Mrs Golding, the Respondent's maintenance officer, that there were to be new windows to the top floor. They said that it was wrong for the Respondent to insert new panes in old frames. Some of the issues which we have recorded in paragraph 20 above are also relevant here.

The Respondent says that there was a meeting with Kendall Kingscott in July 2009, when the Applicants were fully consulted about the proposed works. As a result, the cost of the overhaul was reduced from £5165 to £3180 partly by excluding the cost of window winders. Inspection revealed that only six Velux windows required replacement (see above) and that others could be

overhauled by reason of a continued reasonable life expectancy. Mr Evans pointed out that an installation was in the region of £450 per window, whereas an overhaul was £144 per window.

The Tribunal finds that it was entirely proper for the Respondent to proceed on the basis of professional advice, following an inspection of the windows. The Tribunal finds that it is not unreasonable to seek to prolong the life of a quality product such as a Velux window when it is capable of repair, when the relative costs are those recorded above. We find the costs involved, being an overhaul cost of about £144 per window, are reasonable. We find that the overhaul of the windows was in accordance with the requirements upon the Respondent to repair within the lease under Part II of the Fourth Schedule, having had regard to the caselaw to which we refer above. It is clear from **London Borough of Sutton v Drake and Others** and **Minja Properties Ltd v Cussins Property Group plc and others** that the repair encompassed the whole window unit including glass, such that the cost of the glass would not fall to the individual tenants. This situation could also properly be considered to be covered by paragraph 3 of Part II of the Fifth Schedule, as Mr Evans points out in his written submissions: All further sums reasonably paid by the Association in and about the repair maintenance decoration cleaning lighting and running of the Buildings the Common Parts and the Warden's Office and the Development whether or not the Association was liable to incur the same under its covenants herein contained. **In short, we find that the overhaul of the Velux windows was reasonable and that the cost is both reasonable and one which is payable as part of the service charge.**

The Tribunal does note the concern of Mr Kendall, but finds that, whatever may have actually have been the sequence of events that led to the work on the Velux windows being treated as part of the service charge here, the legal result is the same. The costs of the work fall properly to the service charge for all residents.

20. **Claim 3: Lead Work Repairs (£740 + VAT)**

The Applicants argue that this work related to a lead valley adjacent to Flat 32 and believe that the work related to damage caused by the storm in early 2007.

location. Mr Evans argued that omissions and additions would be at different rates to cater for work required after the job had commenced. He was unable to comment upon the actual work, but Kendall Kingscott had queried the work with the contractor, and on 1 March 2012 his maintenance team had queried the work and received confirmation that it had been done.

The Tribunal finds that it was not surprising to see, at our inspection, rust in the beading after such a period, given the coastal location and given too that the original constituent materials were not to a high standard (rust-proofing always being second best to the use of stainless materials, which are more expensive). We found it more likely than not that the area had been cleaned, given the evidence of Mr Wild to that effect, and that the beading work had been treated, given the enquiries made by Mr Evans, and the contemporaneous satisfaction of Kendall Kingscott. However, we find it unreasonable given the nature of the work undertaken, that the combined costs were higher than the price for more comprehensive work originally planned. **We find that a reasonable cost for the works in question would be £1000 + VAT and that no higher figure is payable.**

22. **Claim 5: Time Extension (£586 + VAT)**

The Applicants confirmed that this issue has been settled and does not require determination by the Tribunal.

23. **Year 2011/2012**

The Applicants had not identified claims relating to this year in relation to this Respondent. Whilst it was clear that the Applicants have concerns as to the terms of the sale of the property by the Respondent to their new landlord, Mr Evans confirmed that the Respondent had not made any service charge demand for this year and had no intention of making any service charge demand for this year. It followed that any application which the Applicants would wish to make for this year's service charge must be made in relation to their current landlord.

Section 20c Application

24. The Applicants have made an application under Section 20C Landlord and Tenant Act 1985 in respect of the Respondent's costs incurred in these proceedings. The relevant law is detailed below:

Section 20C Landlord and Tenant Act 1985: Limitation of service charges: costs of proceedings

(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 a ... ... leasehold valuation 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 or any other person or persons specified in the application.

(3) The ... tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

25. Mr Evans indicated in his written submissions that the Respondent has no intention of seeking to recover its costs from the Applicants by way of a service charge demand. The relationship between the Applicants and Respondent appears to have completely ruptured such that neither side has trust or confidence in the other. In those circumstances of disharmony, where resolution of disputed matters is likely to be required by the Tribunal, and where the Tribunal has allowed one of those claims, the Tribunal allows the Applicants' application under Section 20c Landlord and Tenant Act 1985. **The Tribunal directs that the Respondent's costs in relation to this application are not to be regarded as relevant costs to be taken into account in determining the amount of the service charge for the current or any future year.**

Andrew Cresswell (Chairman) **Date 5 April 2012**
A member of the Southern Leasehold Valuation Tribunal
Appointed by the Lord Chancellor