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HM COURTS AND TRIBUNAL SERVICE

LEASEHOLD VALUATION TRIBUNAL
CASE NO CHI/24UF/LSC/2012/0121

Application: Section 27A of the landlord and Tenant Act 1985 and Schedule 11 Part 1 of the Commonhold and Leasehold Reform Act 2002.

Applicant: Royal Clarence Yard Estate Limited

Respondents: Benjamin E P Bartrip

Premises: 2 The Granary and Bakery, Weevil Lane, Gosport Hants PO12 1FX

Date of Directions: 17 September 2012

Date of Hearing : 1 May 2013

Venue : Alverbank Country House Hotel, Stokes Bay Road, Alverstoke, Gosport PO1 2QT

Appearances for the Applicant: Mr Simon Purkis Counsel and Mr Gareth Brown of the Applicant's Managing Agents HML Andertons Limited

Appearance for the Respondent: Mr Benjamin Bartrip

Members of the Tribunal: Mr N P Jutton BSc (Chairman), Mr P D Turner Power FRICS and Mrs J E S Herrington

Date of Tribunal's Reasons:

- 1 **Introduction**
- 2 The Applicant instituted proceedings in the Bedford County Court under Claim No. 2BE00359 in January 2012 against the Respondent. By those proceedings the Applicant sought to recover from the Respondents arrears of service charge payments of £3,229.59 and administration costs of £460.00 plus legal costs.

3 On 15 February 2012 the Respondent filed with the Court a form of part admission admitting liability in the sum of £1,057.16. The remaining part of the claim remaining in dispute.

4 On 16 March 2012 the proceedings were transferred to Bristol County Court.

5 By an Order dated 12 July 2012 (and subsequently varied by the Court on 25 September 2012) the case was stayed and referred to this Tribunal. The Order further provided that if no application were made to lift the stay by either party by 19 July 2014 the claim would automatically be struck out with no order for costs.

6 Directions were made by the Tribunal on 17 September 2012 which provided for each party to file and serve written representations.

7 **Documents**

8 The documents before the Tribunal were:

- i The Applicant's Statement of Case dated 28 November 2012
- ii An index and paginated Bundle of Documents prepared by the Applicant (reference in these Reasons to page numbers are to the page numbers in that Bundle) which included copies of the County Court Pleadings and Orders, the Respondent's Lease, various statements of account, applications for payment and financial accounts.
- iii The Respondent's Statement of Case dated 18 October 2012.

9 **The Inspection**

10 The Tribunal attended at the Premises on the morning of the hearing on 1 May 2013. Also present were Mr Gareth Brown of the Managing Agents H M L Andertons Limited, the Respondent and the Respondent's wife.

11 At the inspection both parties confirmed that they did not wish to refer the Tribunal to any particular part or aspect of the Premises and that there was nothing which either wished the Tribunal to see which they would later wish to

refer to at the hearing. For that reason the Tribunal did not make a record of a description of the Premises, the type of construction or state of repair.

12 The Law

13 The statutory provisions primarily relevant to applications of this nature are to be found in Sections 18, 19, and 27A of the Landlord and Tenant Act 1985 (The 1985 Act) and in Schedule 11 Part I of the Commonhold and Leasehold Reform Act 2002 (The 2002 Act) They provide as follows:

The 1985 Act

- 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.*
- 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 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 (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 post-dispute arbitration agreement.*
- 5. But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.*

The 2002 Act

1 (1) *In this Part of this Schedule "administration charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly-*

(a) *for or in connection with the grant of approvals under his lease, or applications for such approvals,*

(b) *for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,*

(c) *in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to his lease otherwise than as landlord or tenant, or*

(d) *In connection with a breach (or alleged breach) of the covenant or condition in his lease.*

.....

2 *A variable administration charge is payable only to the extent that the amount of the charge is reasonable*

.....

5 (1) *An application made by made to a leasehold valuation tribunal for a determination whether an administration 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) *Sub-paragraph (1) applies whether or not any payment has been made*
-
- (4) *No application under sub-paragraph (1) may be made in respect of the 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 or by having made any payment*

14 **The Lease**

15 The Respondents' lease is dated 1 June 2007 and is made between Royal Clarence Yard (Phase E) Limited (1) Royal Clarence Yard Estate Limited (2) and Benjamin Edward Peter Bartrip (3) The relevant provisions in relation to service charge payments and administration charges are:

"3.1 The Tenant COVENANTS with the Landlord to observe and perform the obligations of the Tenant contained in schedule 2 (Tenant's covenants), schedule 3 (as to regulations), schedule 6 (Insurance), schedule 8 (Services) or otherwise arising under this Lease.

3.2 THE Tenant COVENANTS with the Estate Company to observe and perform the obligations of the Tenant contained in schedule 8 (services and service charge) or otherwise arising under this Lease”.

By Clause 19 of Schedule 2 the Tenant covenants -

“To pay to the Landlord and/or the Estate Company all reasonable and proper costs, claims demands and expenses (including but without prejudice to the generality of the foregoing all Landlord’s Expenses) incurred by the Landlord and/or the Estate Company in contemplation of or in relation to or as a result of:

.....

19.2 Any breach of any obligation of the Tenant under this Lease”

16 Clause 3 of Schedule 8 provides :

“3.1 The Tenant shall pay on account of the Service Charge by equal half yearly payments in advance on the first day of January and the first day of July in each year (or such other quarterly or half yearly days as shall be notified in writing to the Tenant) one half (or one quarter where the Landlord or the Estate Company shall specify quarter dates for payment) of the Provisional Service Charge relating to the Phase Services and the Building Services to the Landlord and of the Provisional Service Charge relating to the Estate Services and the Insurance Premium to the Estate company”

17 **Previous County Court Proceedings**

18 At the start of the hearing the parties made it known to the Tribunal that a previous dispute between them in relation to payment of service charges and administration charges had been the subject of County Court proceedings

which had concluded at a hearing in the Portsmouth County Court on 22 June 2010. Mr Bartrip handed over a copy of the Judgement made by the Court. The Judgement was for the sum of £4,278.59 and also included provision for payment of Court fees. The Claim No. was 9QZ59332.

19 Mr Purkis handed up, (and a copy was given to Mr Bartrip) a form of statement of account dated 24 July 2009 which he understood set out details of the alleged arrears of services charges and administration charges to which the said Judgement related.

20 Mr Purkis said that the items of service charge and administration charges which the Applicant say are outstanding and which it seeks to recover from the Respondent are those set out at Paragraph 11 of the Applicant's Statement of Case (Page 43) subject to the credits which appear at Paragraph 12 (Page 43). That those were all charges which had been sought from the Respondent from 1 July 2009 onwards. That his understanding was that the County Court Judgement addressed charges that had arisen prior to that date that is all service charge and administration charge payments that had been in dispute with reference to the Statement of Account at Page 96 up to and including those dated 9 April 2009. That as such it was only charges arising after that time which the Tribunal were able to address and those were the charges set out at Paragraph 11 of the Applicant's Statement of Case.

21 Mr Bartrip acknowledged that there had been previous County Court proceedings and a judgment made. He was not able to say which particular service charges and administration charges the Court had addressed but he made the point that the recitals to the County Court Order of 22 June 2010 referred to the Court considering certified accounts for the periods to 31 December 2007 and 31 December 2008. He submitted therefore that it must

have been the case that the Court did not consider charges that arose after 31 December 2008.

22 **Tribunal's Decision**

23 The Tribunal is not able to address matters which have previously been subject to a determination by a Court. It cannot therefore address matters to which the County Court Judgement of 22 June 2010 relates. The Tribunal is not helped by either party to the extent that neither were able to produce to the Tribunal copies of the County Court pleadings which would have assisted in understanding which matters had been before the County Court.

24 However, Mr Purkis was able to produce a form of Statement of Account dated 24 July 2009 which covered the period between 1 January 2008 up to and including 9 April 2009 which he understood had been before the County Court and which formed the basis of the proceedings before the County Court. Consistent with that the matters which are the subject of these proceedings as set out in the Applicant's Statement of Case all post date 9 April 2009 save for one item. That item appears in the Applicant's Statement of Account at Page 96 as "*1 January 2009 Water Charges to December 2007 £126.38*". It does not however appear in the Statement of Account dated 24 July 2009 which Mr Purkis understands, although he is not able to say for certain, had been before the Court.

25 In all the circumstances the best the Tribunal can do on the basis of the limited evidence put before it by the parties is to conclude that on the balance of probabilities the matters before the County Court had been all of those up to and including 9 April 2009 and therefore with reference to the Statements of Account at Pages 95 to 97 of the Bundle the Tribunal is not able to address items dated prior to the 1 July 2009.

26 Accordingly it is for the Tribunal to determine with reference to the sums claimed as set out in the Applicant's Statement of Case whether in each case the charge claimed was payable, and if so, whether or not the amount claimed was reasonable.

27 **The Sums Claimed**

28 Mr Bartrip explained that he did not dispute items claimed which were items of service charge payment. That however he had not paid these historically because either he said service charge demands had simply not been received or such demands or accounts that he had received were indecipherable. The accounts were not clear. That he felt that he could not justify making a payment until he could understand what it was he was being asked to pay and how the figures had been achieved. That if the accounts received had clearly showed the amount due and how they had been achieved then he would have made a payment. He said that he had on numerous occasions by email and by phone asked the managing agents for a breakdown, for an explanation. That however had not been forthcoming. He had he said received no response.

29 That was his principle objection to paying the sums demanded. He objected to paying administration charges which allegedly had arisen because of his failure to pay service charge demands when he had not received demands or a proper explanation of the service charge accounts.

30 Mr Bartrip explained that he had no criticism of the current managing agents H M L Andertons Limited who had taken over the management in June 2011. His criticism was of their predecessors O M Property Management Limited and before that a company called County Estates.

31 Mr Purkis very fairly made the point that he had some empathy for Mr Bartrip. That Mr Bartrip had asked for a breakdown of the sums claimed and maybe the figures that had been provided historically had not been made clear. Nonetheless Mr Bartrip had, in his response to the County Court proceedings which had been transferred to the Tribunal made an admission in the sum of £1,057.16. Further that the breakdown contained in the Applicant's Statement of Case (Pages 42 and 43) showed exactly what sums the Claimant says are due. As those have not been paid the matter had ended up before the Tribunal today. That Mr Bartrip had not filed a Statement of Case or Defence to those sums save for the limited form of statement dated 18 October 2012 (Pages 248 and 249) which set out the items which Mr Bartrip agreed but failed to properly address the items to which he disagreed or to explain why.

32 Mr Purkis accepted that there may have been some confusion initially between the parties and that perhaps both sides could have made a greater effort to resolve that confusion. That communication on both sides could perhaps have been improved and if so, the matter might have settled at an earlier stage and thus avoided the need for a hearing

33 Mr Bartrip repeated that he had historically made numerous attempts to contact the managing agents by email and telephone but to no avail. That had they responded and addressed his concerns some two and half years ago these proceedings may well have been avoided.

34 **Service Charge 01.07.2009 to 31.12.2009 - £869.30**

35 Mr Bartrip confirmed that he did not dispute this sum

36 **Service Charge 01.01.2010 to 30.06.2010 - £795.77**

37 Mr Bartrip confirmed that he did not dispute this sum

38 **Service Charge 01.07.2010 to 31.12.2010 - £795.77**

39 Mr Bartrip confirmed that he did not dispute this sum

40 **Service Charge 01.01.2011 to 30.06.2011 - £808.77**

41 Mr Bartrip confirmed that he did not dispute this sum

42 **Water Charges 2007 - £126.38**

43 Mr Bartrip did not agree this. He made the point that this appeared to be a demand for water charges made in 2009 but which related to charges incurred in 2007. He said that he had a suspicion that this has simply been added artificially at a later date

44 Mr Brown of H M L Anderton Limited explained that this figure had been produced by the previous managing agents OM Property Management Limited without any explanation. The best he could do was to summarise that it was some form of adjustment. He was unable to produce an invoice, statement or any other papers relating to this item because those had been retained by the previous managing agents.

45 **Tribunal's Decision**

46 It was noted that this item did not appear on the Statement of account which the Applicant had produced in relation to historic County Court proceedings. It did form part of the items claimed by the Applicant in these proceedings. Neither party were able to produce an explanation for this item and in particular why a charge which on the face of it related to water charges up to December 2007 was dated 1 January 2009 (and did not appear on the

statement of account dated 24 July 2009 that was understood to have been before the Court on 22 June 2010, which suggested that it hadn't been entered onto the account until after that date). In the circumstances given that there was no evidence before the Tribunal to support this charge and a lack of any real explanation for the charge the Tribunal is not able to find that this item is payable. The Tribunal determines that this item is not payable.

47 **Water Correction 2008 - £218.15**

48 Mr Bartrip confirmed that this was agreed.

49 **Balancing Charge as per 2010 accounts - £15.20**

50 Mr Bartrip confirmed that this was agreed.

51 **Administration Charge – 06.04.2011 - £60.00**

52 Mr Purkis explained that this was a charge that had been made by the previous managing agents O M Property Management Limited. He was unable to produce any evidence as to exactly what work had been carried out. He referred to Clause 19 of the Second Schedule of the Lease (Page 68) and read that out. He said that Clause 19.2 had the effect of allowing the Applicant to recover administration fees being fees incurred in relation to or as a result of a breach of any obligation of the Lessee under the lease. That the failure to pay service charges was one such breach.

53 Mr Bartrip said that he accepted that was the effect of Clause 19 of Schedule 2. That he accepted that the Applicant was entitled to recover administration fees under the terms of the Lease although that was subject to his arguments set out above and as to whether or not the fees incurred were reasonable.

54 Mr Bartrip suggested that he understood that it was illegal to refer a disputed sum to a debt collection agency. He was not able to produce any authority for that proposition save to say that he understood that was advice that could be obtained from the Office of Fair Trading Web Site.

55 Mr Brown said that the best he could do was to assume that the work carried out by the previous managing agents was similar to that which would be carried out by his own company, namely issuing a form of request for payment to the Lessee, followed by a reminder. Mr Bartrip said that he probably received letters from the previous managing agents.

56 Mr Bartrip contented that he felt that the sum of £60.00 was excessive. He felt a figure of £2.50 would be more reasonable. He was not able to produce any evidence to support that contention.

57 **The Tribunal's Decision**

58 The Tribunal agrees that the effect of clause 19 of the Second Schedule to the Lease is to allow the Lessor to recover from the Lessee costs reasonably incurred by it by reason of a failure by the Lessee to pay service charges as administration charges. The Tribunal takes the view that on the balance of probabilities letters were sent to Mr Bartrip by the previous managing agents, and that a fee of £60 is reasonable. The Tribunal determines that the sum of £60 is payable.

59 **Administration Charge 04.05.2011 - £60**

60 Again Mr Purkis explained that this was a fee which was charged by O M Property Management Limited and not by the current managing agents. That it was a further fee which no doubt had been reasonably incurred in trying to recover the alleged arrears of payments from the Respondent.

61 Mr Bartrip repeated the same arguments as before.

62 **Tribunal's Decision**

63 This administration charge combined with the previous administration charge of £60 amounted to a total charge of £120 which in the opinion of the Tribunal appeared excessive for effectively writing what were no doubt standard warning letters to the Respondent. Further the only evidence which the Applicant had been able to adduce to support the two administration charges of £60 was the two copy letters at pages 244 and 245. The first administration charge of £60 appeared to have been debited to the account on 6 April 2011 following no doubt the initial letter of 10 March 2011 (page 244) which advised the Respondent that a charge of that amount '*may*' be added to his account. The second charge of £60 appeared to have been debited to the account on 4 May 2011, the same day as the second letter was sent, which letter stated that an administration charge of £60 would be debited to the account "*as previously advised*". The two letters combined suggested one charge of £60 when in reality two charges of £60 had been debited to the account. In all the circumstances the Tribunal considers a charge of £60 in total is reasonable and therefore disallows the second charge of £60.

64 **Arrears of Management Fee 08.12.2011 - £96.00**

Mr Purkis explained that this was an arrears management fee incurred by the current managing agents H M L Anderton Limited to cover the costs of reviewing the file, requesting paperwork, sending a reminder and sending a final letter. He accepted that there was no evidence of that work or copies of documents supporting that work in the Bundle.

65 Mr Brown confirmed that in essence the terminology "*arrears management fee*" was H M L Anderton Limited's terminology for describing the same matter which O M Property Management Limited described as an '*administration charge*'.

66 Mr Bartrip suggested that the figure was excessive. Mr Brown explained that the figure was such to reflect the fact that the managing agents had to bear the costs of running an office and a business and were in business at the end of the day to make a profit.

67 Mr Bartrip denied receiving any letters from the managing agents.

68 Mr Brown said the letters must have been sent but he was not able to produce copies.

69 **Tribunal's Decision**

70 It appeared to the Tribunal that this charge represented an element of duplication. It was a charge incurred by the current managing agents which appeared as far as could be understood to cover the same work as had been carried out by the previous managing agents. That it was unreasonable for the Respondent to be liable for an additional fee simply because there had been a change of managing agents. Further the Applicant was unable to produce any evidence to support the work which it says had been carried out. In all the circumstances the Tribunal determines that this sum is not payable

71 **Instruction fee 16.12.2011 - £108.00**

72 Mr Purkis said that this was the work that was required to be carried out in order to instruct solicitors. It involved collating the file, passing the information to the solicitors and explaining the information as required to the solicitors.

73 Mr Bartrip said quite fairly that he was not in a position to say whether or not the fee was reasonable.

74 **Tribunal's Decision**

75 It appeared to the Tribunal that a cost would be involved in instructing solicitors or debt collectors. That Mr Bartrip fairly says that he is not able to challenge the fee on the basis of reasonableness. The Tribunal determines that the fee is payable

76 **Debt Collection Fees 16.12.2011 - £168.00**

77 Mr Purkis explained that this was a fixed fee that was paid to a company called Property Debt Collection Limited. It was a fixed sum which had been agreed with that company for every matter which was referred to it by H M L Anderton Limited. The fee remained the same therefore whatever the amount of work carried out by the Debt Collection Company. That it was simply a matter of sensible business practice to have an arrangement whereby a fixed fee was agreed because it saved the need to negotiate or assess the costs involved in each individual case. He referred to letters sent by Property Debt Collection Limited to the Respondent at pages 246 and 247 of the Bundle.

78 Mr Bartrip said that he did not receive those letters

79 **Tribunal's Decision**

80 In the view of the Tribunal this was a fee that had been reasonably incurred. That it was reasonable for a firm of managing agents to come to an arrangement with a debt collection company to charge a fixed fee. In the opinion of the Tribunal the fee charged in any event appeared reasonable for

the work carried out in receiving the paper work and in writing to the Respondent. Accordingly the Tribunal determines that the sum is payable.

81 **Claim Fee 17.01.2012 - £60.00**

82 Mr Purkis said that this was the Court fee for issuing the proceedings in the County Court. He was unable to explain upon being questioned by the Tribunal why the fee was £60 when the sum on the claim form was £120.00. In any event he said that this formed part of the Applicant's legal costs and as such did not fall within the jurisdiction of the Tribunal but was a matter for the County Court. Mr Bartrip did not dispute that.

83 **Tribunal's Decision**

84 This is a matter for the County Court. The County Court proceedings were stayed by reason of the Order dated 12 July 2012 as varied by the Order dated 25 September 2012. That part of the County Court proceedings included a claim for payment of legal costs and if this fee was part of or all of the fee for issuing the proceedings in the County Court it fell to be addressed by the County Court. As the County Court proceedings had been stayed it was a matter for the parties if they wished to apply to the Court to restore those proceedings to address the issue of costs.

85 There were no details of legal costs before the Tribunal. However the Tribunal suggested that the parties, although of course it was entirely a matter for them, would no doubt wish to take a sensible commercial and pragmatic view as to whether the issue of legal costs should be referred back to the County Court. It appeared to the Tribunal, and this had been acknowledged by Mr Purkis on behalf of the Applicant, that there had been perhaps historically a breakdown in communication between the parties

which had led to certainly a degree of confusion and uncertainty on the Respondent's part. That Mr Bartrip had acknowledged that the current managing agents H M L Anderton Limited had done a far better job and were far better at communicating than their predecessors. That moving forward it was to be hoped that the improved relationship continued and no doubt that was something which both sides might wish to take into account when deciding whether or not the issue of costs was to remain outstanding between them.

86 **HM Land Registry fees £28.00**

87 Mr Purkis explained that these did not appear at Paragraph 11 of the Applicants statement of case. These were fees incurred by the Managing Agents in obtaining copy title deeds from HM Land Registry for the purpose of these proceeding. The Tribunal asked whether or not he felt in the circumstances this item would form part of the Applicant's legal costs or was an administration fee

88 Mr Purkis said that as this fee had been incurred by the Managing Agents and formed part of the sum of £460 described as administration costs in Paragraph 6 of the Particulars of Claim in the County Court proceedings that this item was properly an administration charge and not part of the Applicant's legal costs.

89 Mr Bartrip said that as with all administration charges he disputed this item for the reasons previously stated but if the Tribunal was against him in that regard this was not an item which he could reasonably resist.

90 **Tribunal's Decision**

91 The Tribunal was satisfied that the HM Land Registry fee of £28.00 properly forms part of the administration charges incurred by the managing agents and does not form part of the Applicant's legal fees. That it was reasonable for the managing agents to incur such fees in preparation for passing the matter to the Applicant's solicitors for the purposes of instituting proceedings. Accordingly it determines that the sum of £28.00 in relation to HM Land Registry fees is payable

92 **Summary of Tribunal's Decision**

93 The sums claimed by the Applicant in the County Court as set out in the Particulars of Claim are expressed as service charges of £3,229.59 and administration costs of £460.00. A total of £3,689.59.

94 Taking into account the matters determined by the Tribunal as set out above, the sums payable are:

Service charge 01.07.2009-31.12.2009:	£869.30
Service charge 01.01.2010-30.06.2010:	£795.77
Service charge 01.07.2010-31.12.2010:	£795.77
Service charge 01.01.2011-30.06.2011:	£808.77
Water charges 2007:	£nil
Water correction 2008:	£218.15
Balancing charge as per 2010 accounts:	£15.20
Administration charge 06.04.2011:	£60.00
Administration charge 04.05.2011:	£nil
Arrears of management fee 08.12.2011:	£nil
Instruction fee 16.12.2011:	£108.00
Debt collection fee 16.12.2011:	£168.00

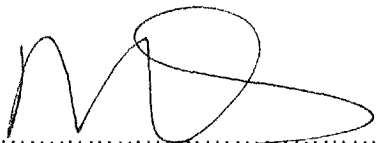
HM Land Registry fees:	£28.00

Total:	£3866.96
Less:	
Service charge year end adjustment 01.01.2008-31.12.2008	£343.75
Service charge year end adjustment 01.01.2009-31.12.2009	£175.69
Water level retention release	£0.31

Total	£519.75
Balance payable	£3347.21

95 The issue of legal costs remains outstanding between the parties. It is to be hoped that that is something which can be agreed between the parties. In default of an agreement it is open to either party to apply back to the County Court to lift the stay so that the matter can be addressed by the Court.

Dated the 14th day of May 2013



N P Jutton (Chairman)

A Member of the Tribunal appointed by the Lord Chancellor