11935

FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	**LON/00BB/LSC/2016/0090**
Property	:	**27 Barrier Point Road London E16 2SB**
Applicant	:	**Shane Dougall and Olga Dougall**
Representatives	:	**In person**
Respondent	:	**Barrier Point RTM Company Limited**
Representative	:	**Mr Jeff Hardman of Counsel**
Type of Application	:	**For the determination of the liability to pay and reasonableness of service charges (s.27A Landlord and Tenant Act 1985)**
Tribunal Members	:	**Prof Robert M. Abbey (Solicitor)**
Date and venue of Hearing	:	**21 June 2006 at 10 Alfred Place, London WC1E 7LR**
Date of Decision	:	**04 July 2016**

DECISION

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Decisions of the tribunal

(1) The tribunal determines that the service charges for the property are payable as follows:-

Period	Item	Amount
2012/13	2012/13 service charge	Allowed at £2,918.65
	Internal redecoration	Allowed at £120.77
	External redecoration	Allowed at £1,485.07
	JBL Legal court fees	Allowed at £1,280.00
	Legal recovery fees	Reduced to £00.00
		£5,804.49
2013/14	2013/14 service charge	Allowed at £3,056.95
2014/15	2014/15 service charge	Allowed at £2,926.42
	2015/16 (1 Dec 2015 – 31 May 2016)	Allowed at £1,463.21
		£13,251.07

(2) There were two applications made at the end of the hearing, first for an order for costs pursuant to Rule 13 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 2013 No. 1169 (L. 8) and secondly an application under section 20c of the Landlord and Tenant Act 1985. Both have been considered and were dealt with by the tribunal and the decisions in both applications, are set out in detail below.

The application

1. The applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charge payable to the respondent in respect of service charges payable for services provided at 27 Barrier Point Road London E16 2SB, (the property) and the liability to pay such service charge.

2. The relevant legal provisions are set out in the Appendix to this decision.

The hearing

3. The applicant was self-represented and the respondent was represented by Mr Jeff Hardman of Counsel.

4. The tribunal had before it a substantial bundle of documents prepared by the applicant. The respondent produced several documents at the hearing. The applicant objected. I decided that they were helpful documents to both parties and to myself and did not prejudice anyone by their late production and therefore allowed the late production of these documents that comprised items such as copy service charge demands, accounts, year-end accounts and draft budgets for the property.

The background and the issues

5. The Barrier Point Estate comprises 8 separate blocks containing 257 separate dwellings. Proxima GR Properties Limited is the freeholder; the respondent is a Right to Manage Company that acquired the right to manage on 28 November 2011. Urang Property Management Limited have been the retained managing agents since 2015 having taken over from Essex Properties Limited. There has been a history of difficulties with the demand and payment of service charges in relation to the property and was the subject of a previous hearing at this tribunal, see LON/00BB/LSC/2013/0056. (In the previous hearing on 31 October 2012, the respondent issued a county court claim for unpaid service charges for the period up to 30 November 2012. The claim was transferred to the tribunal on 8 January 2013 and a determination was made on 18 June 2013 which provided that the applicant pay the sum of £2,575.96 representing over 92% of the amount claimed by the respondent).

6. Neither party requested an inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute. Mr Paul Cleaver gave evidence for the respondent being the managing director of Urang Property Management. Mr Dougall gave evidence for the applicant.

7. The respondent holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. Each lessee must pay a proportion for the services provided with the actual proportion varying depending on the size of the property and the nature of the service charge involved. The lease provides for varying proportions for different aspects of the maintenance of various aspects of the estate such as the upkeep of the grounds or the block and car parking facilities. The issues the applicant raised covered the payability of the charges raised for the several items listed above in the first paragraph and carried out by the respondent.

Decision

8. The tribunal is of the view that there is just one element of the service charges that is unreasonable. The tribunal is of the view that all the other service charges set out above are properly demanded and payable by the applicant. The one item relates to legal recovery fees that were claimed at £660. The tribunal reduced this amount to nil. This was because the respondent was unable to produce any supporting evidence for the claim. All other items were supported by evidence that the tribunal considered sufficient to enable it to approve the items as reasonable and proportionate.

9. It was common ground between the parties that the applicant has raised ten issues regarding the payability of the service charges. These were ten issues identified by the respondent when summarising the applicants case. These were considered in detail by the parties and detailed submissions were made during the hearing. In all ten issues I was able to find for the respondent. I will now consider the ten particular issues in turn to clarify my decisions for each of the ten issues.

10. In regard to issue number one this was whether the respondent is estopped from recovering more than £2,576.96 being the amount determined to be payable in respect of the period up to 30 November 2013. The original amount claimed by the respondent as set out in the county court claim issued on 31 October 2012 was for the sum of £2,786.96. The amount determined as being reasonable on 18 June 2013 by the previous tribunal (LON/00BB/LSC/2013/0056) was £2,575.96 being a difference of £210. The respondent said this was refunded to the applicant on 1 January 2014 and produced evidence to support this assertion. I find that this was an accurate assertion by the respondent and I am therefore satisfied that a refund has been made and that as such this is no longer a live issue.

11. With regard to issue number two, this was whether £1,485.07 is payable in respect of the external decoration works. On 31 July 2013, the respondent demanded £1,485.07 in relation to external

redecoration works. It is claimed by the applicant that these sums are not payable because these works have not actually been completed or indeed carried out. The respondent's view of this was that the lease provides for sums to be paid into a reserve account for future expenditure, (see paragraph 6 of the 7th Schedule in the lease of the property). Also the lease allows for the maintenance expenses to be demanded in advance before the works are undertaken, (see paragraph 7, of the same 7th Schedule). The applicant asserted that s.20B of the Landlord and Tenant Act 1985 applied and that there was an 18 month time bar that governed the payability of this amount. The respondent denied that s.20B is applicable in instances where monies have been demanded in advance. The respondent took the view that Section 20B provides that a landlord must, within 18 months of incurring the cost, either demand it from the tenant as a service charge; or 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. The respondent said that in this context, costs are incurred not when the service is provided to the lessor, but when the liability to pay has crystallised, either by presentation of an undisputed invoice or actual payment, see *Burr v OM Property Management Ltd* [2013] EWCA Civ 479. In essence the works not having been carried out 2.20B cannot apply. I therefore accept this argument advanced by the respondent and consider that the amount is properly payable.

12. In regard to issue number three this was whether the respondent had failed_to credit the applicant's service charge account with a payment of £120.77 paid in respect of internal decorations. At the hearing the respondent provided a summary of payments made by the applicant since 16 December 2011 in which no payment of £120.77 is shown. Discussion ensued at the time of the hearing about whether the applicant had conflated two demands made of him. However the applicant was unable to produce any evidence in support of this claim and therefore I had to conclude that there was no failure on the part of the respondent in this regard. In the absence of any supporting contrary evidence from the applicant I am satisfied that the position here as outlined by the respondent is accurate.

13. In relation to issue number four the question is whether the respondent is entitled to recover legal costs in the sum of £1,940.00 owing in respect of the previous tribunal determination dated 18 June 2013. The applicant was of the view that these were not payable. The respondent asserted that the legal costs sought were incurred in respect of the claim issued in 2011 for outstanding arrears. The respondent said that these costs were recoverable pursuant to Clauses 4 and 8 of the Eighth Schedule of the Lease. The charges claimed were also subject to being reasonable (see Schedule 11, Para 2 of the Commonhold and Leasehold Reform Act 2002). It is claimed by the respondent that the costs incurred in respect of the county court claim and the subsequent transfer to the tribunal were reasonable in the context of succeeding in

recovering over 92% of the amount originally demanded. However, the respondent could not produce at the hearing any supporting evidence for part of the legal costs claimed. Accordingly, I was able to find that the monies were properly payable under the lease terms and stature and that of the total claimed this sum should be reduced by £660 where there was a lack of supporting evidence.

14. In regard to issue number five, this was concerned with the question of whether the respondent had failed to comply with s.47 and s.48 of the Landlord and Tenant Act 1985 Act as well as s.21B of the 1987 Act in respect of the service charges demanded for 2012/13. It is the case that service charge demands must comply with ss47 and 48, and must be accompanied by a summary of rights and obligations. Any written demand for rent, service charges or administration charges must contain the name and address of the landlord. If such a demand does not contain the landlord's address and an address for service, the services charges and administration charges demanded are not due until that information is supplied. When the information is provided, the money will, however, be due, see *Staunton v Taylor* [2010] UKUT 270 (LC); *Graham Peter Wrigley v Landchance Property Management Limited* [2013] UKUT 376 (LC). The respondent asserted that the previous managing agent, Essex Properties, were responsible for these demands and ensuring compliance with s.21B of the 1985 Act. It was not clear from the original papers before the tribunal that the statutory requirements had been fulfilled. It is possible that they were but due to the handover of management between Essex and Urang that not all copy documents had been passed across. In any event, a summary of rights was again sent to the applicant on 16 June 2015 and once more on 18 December 2015 and I was able to see copies of these documents that remedied the situation.

15. Issue number six was a requirement of the tribunal to consider the reasonableness of the management fee. The applicant was of the view that the level of the charge was unreasonable given the nature of the estate of the work carried out. I was advised by the respondent that the Estate comprises 257 residential properties and that the management fee charged by the managing agent was £28,857 in 2011/12 (£112.28 per property) and £30,290 in 2012/13 (£117.85) representing a 5% increase. In the light of the size of the estate I am quite satisfied with the reasonableness of this charge. It is well in line with other similar charges for estates of this kind and it probably at the lower end of the spectrum for these types of charges.

16. The applicant also sought to say that there was a limit set out in the lease regarding the charges for management as set out in the lease. The applicant said that the charges levied were in excess of that limit and should therefore be reduced. The provision in the lease (to be found at paragraph 12 of the sixth Schedule) caps fees at £65.00 plus inflation. The lease makes it clear that this relates to the "Manager" being the Respondent. However, in this situation the respondent has actually

handed over responsibility to, currently Urang, a specialised managing agent. Paragraph 7 (Part "G") of the Sixth Schedule of the lease allows for this form of delegation as it provides that "*7. Generally managing and administering the Maintained Property and protecting the amenities of the Maintained Property and for that purpose if necessary employing a firm of managing agents or consultants or similar and the payment of all costs and expenses incurred by the Manager.*" Those words at the end make it plain that managing agents can be used and that therefore while there is a limit on the charges the respondent can claim there is no such limit on managing agents being an entirely separate party, allowed under the terms of the lease. Therefore, I will allow these charges.

17. Issue seven relates to the points set out in paragraph 14 but for the year 2013-1014. I am satisfied that the same arguments prevail and therefore simply repeat the same approach and find that there has been retrospective compliance to remedy the situation.

18. In relation to issue eight, this raised the question of whether the respondent is time barred by s.20B from demanding the service charges even if s.47, s.48 and s.21B have not been complied with. I accepted the view that the time barred provisions of s.20B have limited application where charges have not yet been 'incurred'. In this case the respondent demanded monies on account which do not relate to any charges which have been incurred; rather, they relate to costs which will be incurred. In this kind of situation it is generally accepted that Section 20B(1) has no application to demands for payments on account of anticipated future expenditure. Accordingly, when a lease permits a landlord to demand on-account payments against estimated expenditure and such payments are made, but the actual expenditure of the landlord does not exceed the amount of the on account payment so that no demand for a balancing payment needs to be or is, in fact, made, section 20B has no application.

19. With regard to issue nine it was originally thought that the applicant sought to say that the respondent had made excessive demands for service charges so that consequently no sums are due and owing from the applicant. However, it was subsequently accepted that this was not being asserted by the applicant and as such I make no finding in regard to issue nine.

20. The tenth and final issue asked the question, is it a condition precedent that an accountant's certificate must be served before the respondent can recover any service charge amount? In his skeleton argument the applicant makes it plain that his view is that the lease is quite clear that it is essential to the recovery of service charges that proper accounts are created served and certified before the landlord can recover service charges and he seeks to rely on *Akorita v Marine Heights* 2011 UKUT 255.

21. The respondent advanced the view that the complaint regarding the alleged failure to provide an accountant's certificate is misplaced. The respondent sought to say that there is a distinction between a certificate required for sums already incurred and sums demanded on account. The lease of the property allows for monies demanded in advance based upon a budget; thereafter, accounts are prepared and a certificate issued. Where the incurred sums are greater than the estimated sums, the respondent is able to demand a balancing payment. However, it is a condition precedent that before a balancing payment is made that a certificate must be provided to lessees. The only sums demanded by the respondent are on-account payments.

22. The respondent, in support of this contention, cited to me the case of *Pendra Loweth Management Ltd v Mr and Mrs North* [2015] UKUT 0091 (LC), where Martin Rodger QC stated in his judgment at paragraphs 41 - 42, that:

> "41....."*the lease does not require as a pre-condition of liability to pay the Estimated Service Charge that the estimate must have been prepared by reference to a budget which follows strictly the categories of expenditure listed as Service Expenditure in the Ninth Schedule and excludes from consideration any other items. The sum itself is in the discretion of the Management Company. If the Company considers that the budget it has prepared for its own activities in the forthcoming year is a suitable approximation of its likely expenditure on service charge items in the same period, I can see no reason to interpret the lease as requiring some process of stripping out items of expenditure which may not fall strictly within Service Expenditure.*
>
> *42 There was no allegation in this case of bad faith or deliberate overcharging by the Management Company and the FTT made a point of stating that nobody had "acted in an untoward manner". Where parties agree that one of them is to be trusted to make an estimate which the other is required to pay, subject to an account being taken at a later date, and the estimate is made in good faith, there seems to me to be little or no scope to challenge the estimate except by relying on s.19(2) of the 1985 Act. Where a service charge is payable before the relevant costs are incurred, s.19(1) provides that no greater amount than is reasonable is so payable; there is therefore a statutory limit on estimated charges, even where they have been estimated in good faith. Where a deliberately inflated estimate has been submitted in bad faith or an entirely arbitrary figure has been chosen the contractual position is likely to be different, and it may be possible to say that, even without regard to the statutory cap on advance payments, the estimate is not payable in full; but that is not this case."*

23. As Counsel for the respondent noted there were no allegations of bad faith or deliberate overcharging in this dispute and as such I find for the respondent in this regard.

24. For all the reasons set out above the tribunal is of the view that the service charges are in one element only unreasonable with all the other claims properly payable and that the amounts should be as set out above.

Application for costs and refund of fees

25. An application was made by the Respondents for costs under Rule 13 of the tribunal rules in respect of the costs of the applications/hearing. The Tribunal heard oral submissions on this point and having heard, and considered the submissions from the parties and taking into account the determinations set out above, the tribunal does make an order for costs.

26. The tribunal's powers to order a party to pay costs may only be exercised where a party has acted "unreasonably". Taking into account the guidance in that regard given by HH Judge Huskinson in *Halliard Property Company Limited v Belmont Hall & Elm Court RTM, City and Country Properties Limited v Brickman LRX/130/2007, LRA/85/2008,* (where he followed the definition of unreasonableness *in Ridehalgh v Horsefield* [1994] Ch 205 CA), the tribunal was satisfied that there had been unreasonable conduct so as to prompt an order for costs.

27. I am also mindful of a very recent decision in the case of *Willow Court Management Company (1985) Limited v Mrs Ratna Alexander* [2016] UKUT 0290 (LC) which is a detailed survey of the question of costs in a case of this type. At paragraph 24 of the decision the Upper Tribunal could see no reason to depart from the views expressed in *Ridehalgh.* Therefore following the views express in this recent case at a first stage I need to be satisfied that there has been unreasonableness. At a second stage it is essential for the tribunal to consider whether, in the light of the unreasonable conduct it has found to have been demonstrated, it ought to make an order for costs or not; it is only if it decides that it should make an order that a third stage is reached when the question is what the terms of that order should be.

28. In *Ridehalgh* it was said that ""Unreasonable" also means what it has been understood to mean in this context for at least half a century. The expression aptly describes conduct which is vexatious, designed to harass the other side rather than advance the resolution of the case, and it makes no difference that the conduct is the product of excessive zeal and not improper motive. But conduct cannot be described as unreasonable simply because it leads in the event to an unsuccessful

result or because other more cautious legal representatives would have acted differently.

29. The acid test is whether the conduct permits of a reasonable explanation. If so, the course adopted may be regarded as optimistic and as reflecting on a practitioner's judgment, but it is not unreasonable. I do believe that the applicant has acted unreasonably. There is clear evidence of a lengthy history of non-payment and challenges to the payment of service charges. There was a previous hearing mentioned earlier in this dispute arising out of a claim in the county court. Moreover I was told at the hearing that no service charge payments had been made by the applicant for several years. Furthermore, the applicant has failed in all but one of the claims set out above. Consequently, in the light of the conduct of the respondent I will make a partial order for costs. I say partial because the respondent did fail in one regard, (with regard to supporting evidence in the costs claim), and I am also mindful of the late submission of some supporting evidence. I therefore consider that the applicant should pay 50% of the respondent's costs on the standard basis. I therefore order that the applicant do pay 50% of the respondent's costs on this basis, such costs to be agreed between the parties and failing such agreement to be assessed and I will if required give further directions should there be no agreement.

30. There was an application as to whether costs under section 20C would be considered by the tribunal. Having heard the submissions from the parties and taking into account the determinations set out above the tribunal determines that it is just and equitable in the circumstances not to make an order under section 20C of the 1985 Act. The tenant did make an application for an order that all of the costs incurred by the respondent in connection with these proceedings before the 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 but the tribunal is of the view that it should not make such an order.

Name:	Judge Professor Robert M. Abbey	**Date:**	04 July 2016

Appendix of relevant 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.

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nt 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.

20B Limitation of service charges: time limit on making demands.

(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 20C

(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 court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, 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.

(2) The application shall be made—
   (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
   (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
   (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
   (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
   (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.

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

Commonhold and Leasehold Reform Act 2002

SCHEDULE 11
Administration charges

Part 1 Reasonableness of administration charges

Meaning of "administration charge"
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 a covenant or condition in his lease.
(2)But an amount payable by the tenant of a dwelling the rent of which is registered under Part 4 of the Rent Act 1977 (c. 42) is not an administration

charge, unless the amount registered is entered as a variable amount in pursuance of section 71(4) of that Act.
(3)In this Part of this Schedule "variable administration charge" means an administration charge payable by a tenant which is neither—
(a)specified in his lease, nor
(b)calculated in accordance with a formula specified in his lease.
(4)An order amending sub-paragraph (1) may be made by the appropriate national authority.

Reasonableness of administration charges
2A variable administration charge is payable only to the extent that the amount of the charge is reasonable.
3(1)Any party to a lease of a dwelling may apply to a leasehold valuation tribunal for an order varying the lease in such manner as is specified in the application on the grounds that—
(a)any administration charge specified in the lease is unreasonable, or
(b)any formula specified in the lease in accordance with which any administration charge is calculated is unreasonable.
(2)If the grounds on which the application was made are established to the satisfaction of the tribunal, it may make an order varying the lease in such manner as is specified in the order.
(3)The variation specified in the order may be—
(a)the variation specified in the application, or
(b)such other variation as the tribunal thinks fit.
(4)The tribunal may, instead of making an order varying the lease in such manner as is specified in the order, make an order directing the parties to the lease to vary it in such manner as is so specified.
(5)The tribunal may by order direct that a memorandum of any variation of a lease effected by virtue of this paragraph be endorsed on such documents as are specified in the order.
(6)Any such variation of a lease shall be binding not only on the parties to the lease for the time being but also on other persons (including any predecessors in title), whether or not they were parties to the proceedings in which the order was made.

The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013

2013 No. 1169 (L. 8)

Orders for costs, reimbursement of fees and interest on costs
13.—(1) The Tribunal may make an order in respect of costs only—
(a) under section 29(4) of the 2007 Act (wasted costs) and the costs incurred in applying for such costs;
(b) if a person has acted unreasonably in bringing, defending or conducting proceedings in—
(i) an agricultural land and drainage case,
(ii) a residential property case, or
(iii) a leasehold case; or
(c) in a land registration case.

(2) The Tribunal may make an order requiring a party to reimburse to any other party the whole or part of the amount of any fee paid by the other party which has not been remitted by the Lord Chancellor.
(3) The Tribunal may make an order under this rule on an application or on its own initiative.
(4) A person making an application for an order for costs—
(a)must, unless the application is made orally at a hearing, send or deliver an application to the Tribunal and to the person against whom the order is sought to be made; and
(b) may send or deliver together with the application a schedule of the costs claimed in sufficient detail to allow summary assessment of such costs by the Tribunal.
(5) An application for an order for costs may be made at any time during the proceedings but must be made within 28 days after the date on which the Tribunal sends—
(a) a decision notice recording the decision which finally disposes of all issues in the proceedings; or
(b) notice of consent to a withdrawal under rule 22 (withdrawal) which ends the proceedings.
(6) The Tribunal may not make an order for costs against a person (the "paying person") without first giving that person an opportunity to make representations.
(7) The amount of costs to be paid under an order under this rule may be determined by—
(a) summary assessment by the Tribunal;
(b) agreement of a specified sum by the paying person and the person entitled to receive the costs (the "receiving person");
(c) detailed assessment of the whole or a specified part of the costs (including the costs of the assessment) incurred by the receiving person by the Tribunal or, if it so directs, on an application to a county court; and such assessment is to be on the standard basis or, if specified in the costs order, on the indemnity basis.
(8) The Civil Procedure Rules 1998, section 74 (interest on judgment debts, etc) of the County Courts Act 1984 and the County Court (Interest on Judgment Debts) Order 1991 shall apply, with necessary modifications, to a detailed assessment carried out under paragraph (7)(c) as if the proceedings in the Tribunal had been proceedings in a court to which the Civil Procedure Rules 1998 apply.
(9) The Tribunal may order an amount to be paid on account before the costs or expenses are assessed.