9789

FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/OOBE/LSC/2013/0486
Property	:	FLAT 19 STYLES HOUSE HATFIELDS LONDON SE1 8DF
Applicant	:	LONDON BOROUGH OF SOUTHWARK
Representative	:	Ms E Bennett, Income Support Officer, Mr G Dudhia, Accountant and Ms C Blair, Capital Works Manager (10th January 2014 only)
Respondent	:	MS SUSANNAH BROWNING
Representative	:	Attended in person
Type of Application	:	Reasonableness of service charge under Section 27A Landlord and Tenant Act 1985 ("the Act")
Tribunal Members	:	JUDGE T RABIN MR TREVOR SENNETT MR LESLIE PACKER
Dates of hearing	:	10th December 2013, 10th and 24th January 2014 at 10 Alfred Place London WC1 7LR
Date of Decision	:	4th March 2014

DECISION

The Tribunal's decision

(1) The Section 20 procedure was correctly followed prior to the entering into of long term agreements during the service charge years in question.

(2) The heating costs, including boiler maintenance, are due for each of the service charge years in question as shown in Appendix 2 annexed hereto.

(3) The entryphone costs are reasonable and due for each of the service charge years in question as shown in Appendix 2 annexed hereto.

(4) The amounts payable for lift maintenance for each of the service charge years in question are reasonable and shown in Appendix 2.

(5) The amounts payable for estate lighting and estate grounds maintenance for each of the service charge years in question are reasonable and shown in Appendix 2.

(6) The amounts payable for care and upkeep for each of the service charge years in question are reasonable and shown in Appendix 2.

(7) The amounts payable for minor repairs for each of the service charge years in question are reasonable and shown in Appendix 2.

(8) The cost of overheads calculated in the manner described by the Applicant is reasonable as is the management fee of 10%. The amounts payable for overheads are included in the individual items and the management fee for each of the service charge years are shown in Appendix 2.

The application

1. The Tribunal was dealing with an application seeking a determination pursuant to s.27A of the 1985 Act as to whether the service charges demanded during service charge years 2009/10 – 2012/13 were reasonable and payable by the Respondent. The application relates to Flat 19 Styles House Hatfields London SE1 8DF("the Flat"). The Applicant is the freeholder of Styles House ("the Building") which forms part of Hatfields ("the Estate") and the Respondent is the long leaseholder of the Flat.

2. Proceedings were originally issued in the Northampton County Court. The claim was transferred to Lambeth County Court and then to the Tribunal by order of District Judge Zimmels on 25th June 2013.

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2. Proceedings were originally issued in the Northampton County Court. The claim was transferred to Lambeth County Court and then to the Tribunal by order of District Judge Zimmels on 25th June 2013.

3. The relevant legal provisions are set out in Appendix 1 to this decision. There is a table setting out the amount demanded by the Applicant and the amount determined as due by the Tribunal at Appendix 2

4. In view of the nature of the claim it was determined that an inspection was not necessary. The parties agreed.

The Hearings

5. The application was set down for hearing on 10th December 2013. The Applicant was represented by Ms Bennett accompanied by Mr Dudhia and the Respondent appeared on person. The hearing was not concluded on 10th December 2013 so a further date was set on 10th January 2014 when the same parties attended as well as Ms C Blair.

6. The Tribunal has before it a bundle of papers. Further documents were handed in by both parties at both the first hearing and the second hearing, including the final service charge figures for 2012-13, in place of the previously provided estimate figures.

7. The issues before the Tribunal were as follows:

- Whether Section 20 procedure had been followed in relation to all the long term contracts governing the services provided.
- Whether the service charges for the service charge years in dispute were reasonable and payable by the Respondent, in particular building insurance, entryphone, lifts, estate lighting and grounds maintenance, care and upkeep and minor repairs.
- Whether the proportion due from the Respondent had been correctly calculated.
- Whether audited accounts had been provided.
- Whether the Tribunal should make an order under Section 20C of the 1985 Act in relation to the costs of these proceedings.
- Whether the hearing fee should be refunded to the Applicant by the Respondent.
- Whether there should be an order for the refund of the costs incurred by the Respondent.

8. Having heard evidence and submissions from the parties and considered all of the documents provided in the trial bundle, the Tribunal has made determinations on the various issues as follows.

The evidence and the Tribunal's determinations

Section 20 procedures

9. The Respondent maintained that there had been no Section 20 consultation in relation to the contracts for the gas supply and boiler maintenance, the lift maintenance or the estate cleaning and grounds maintenance. On that basis, the requirements of the Service Charges (Consultation Requirements) (England) Regulations 2003 ("the Regulations") had not been complied with. Mr Dudhia gave evidence that the Regulations had been complied with on the first date of hearing but had not produced any supporting documentation either prior to or at the first hearing. Ms Bennett stated that, in view of the length of time since the agreements had been entered into, it was difficult to locate the relevant documentation in the archives.

10. Ms Carla Blair attended at the second hearing and produced documents that had been provided to all the long leaseholders as part of the required consultation process under the Regulations. The contracts related to long term agreements for the following services:

(a) Energy supply for heating and hot water in 2007
(b) Gas supply for heating and hot water in 2008 and 2011
(c) Building services to heating, plant, drinking water tanks, ventilation and air conditioning, laundries and sewage systems in 2007
(d) Supply of electricity in 2013
(e) Borough wide lift repairs and maintenance in 2007
(f) Repairs and maintenance contract in 2013
(g) Borough wide door entry repairs and maintenance 2007/8

11. Ms Blair explained that in some cases the contracts were entered into some time ago and it had required a considerable amount of time and effort to locate them and this accounted for the delay in production of copies. The contracts that she produced related to borough wide service provision and the procedure was that initial notices would be served followed by an application to the Tribunal under Section 20ZA of the Act seeking dispensation with the formal consultation under Section 20 to enable speedy decisions to be made when negotiating for gas and electricity supplied in a volatile market and for large contracts to be put in place to enable good value to be obtained in relation to the large number of properties affected.

12. The Tribunal were informed that, once the Regulations had come into force in October 2003, all long leaseholders were served with notices of intention in relation to all qualifying long term agreements entered into after that date. The Respondent had notified the Applicant of her change of address in 2009, although she had moved out in 2007. The service charge department were aware she had moved out, she had not

given notice to the major works department until October 2009. All notices were served on the Respondent at the Flat and, since October 2009, copies were also served on her at the address notified by her.

The Tribunal's decision

13. The Tribunal noted that, although the question of Section 20 consultation had been a live issue throughout these proceedings, it was only on the second hearing that the evidence to support consultation was produced. The Tribunal are grateful to Ms Blair for her clear evidence but it is unfortunate that it was produced so late. On the other hand, Ms Bennett explained about the difficulty of locating documents that were, in some cases, five years old and the Tribunal noted that the Respondent had made no complaint about lack of consultation until recently. It was therefore not surprising that the Applicant had difficulty in locating the relevant papers.

14. The Tribunal is satisfied that the correct consultation was undertaken in respect of the notices produced. No consultation was necessary prior to October 2003 and, if any of the contracts in existence now had been entered into prior to October 2003, the Tribunal would not expect to see any consultation documents. The Respondent said that she had been receiving notices from the service charge department between 2007, when she left the Flat and it is unfortunate that the change of address, within the knowledge of the service charge department, was not shared with other relevant departments within the borough, which would have been helpful to the Respondent as a leaseholder . Equally, it is unfortunate that the Respondent did not arrange with her tenants to forward significant correspondence to her.

15.

16. Nonetheless, service on the registered address of the Respondent was good service and the Applicant has complied with the relevant requirements.

Building insurance

17. The Respondent agreed the figures for insurance for each of the years in question and these are reflected in the schedule of co**sts annexed to this** decision as Appendix 2.

Heating costs.

18. The Applicant said that the heating charge was based on the cost of gas used, annual maintenance, electricity to power the boiler house, repairs and management costs. The bulk of the cost is the cost of gas. The gas

is obtained from Kent County Council as part of a consortium entered into in order to obtain the most competitive price for gas supply.

19. The calculation of the proportion due from the long leaseholders for heating differs from the calculation of the other service charges. For most services the Respondent is charged 5/240ths of the costs and this is based on bed weightings within the relevant properties. There are adjustments when calculating the proportion for heating as some flats have partial heating or none and these adjustments are taken into account when determining the quantum by the Applicant.

20. There was a lively discussion about the method of calculation of the heating costs and the amount applied to the Flat, which the Respondent claimed, bore no relation to the stated proportion. The figures in the notices served on the Respondent were not clear, as the figures shown as the basis of the calculation were inconsistent with the amount claimed. Mr Dudhia explained that the information provided to the Respondent was extracted from a large spread sheet and he assured the Tribunal that the figures were a correct reflection of the amount due from the Respondent in accordance with the terms of the lease. Mr Dudhia then made some calculations and agreed to reduce the figures so that they were consistent with the information given to the Respondent and upon which she had relied.

21. The maintenance of the boilers is in accordance with the terms of a qualifying long term agreement

The Tribunal's decision

22. The Tribunal found it difficult to follow Mr Dudhia's argument. Long leaseholders are entitled to be given clear and consistent information in relation to service charge costs. The details of the heating costs were inconsistent and the final figure bore no relation to the information in the notice upon which the calculation was stated to have been made. This was a point that had been raised by the Respondent in her statement of case and it was raised at the first hearing. Notwithstanding this, Mr Dudhia came to the second hearing with no satisfactory explanation as to how the figures for heating were arrived at. It was only when he withdrew during the course of the hearing and re-calculated the figures that a proper account was given. This caused inconvenience and delay to the Tribunal in dealing with the application.

23. Mr Dudhia reduced the figures after recalculation and the Respondent accepted the reduced figures as being the amount that she considered due from her. In relation to service charge year 2010/11 the Respondent maintained that there was a period when there was no heating and that the cost of items attributable to major works previously undertaken had been erroneously included. The Applicant

agreed a reduced figure of £395.76 in settlement for that service charge year.

24. The Tribunal has already determined that the correct Section 20 procedure was undertaken in relation to the boiler maintenance agreement. There is also a contract for insurance cover in respect of the lift and the appropriate proportion is payable by the Respondent. The Respondent has produced no evidence to show that the costs are unreasonable. The amounts payable for each of the service charge years in question are shown in Appendix 2.

Entryphone

25. The entryphone costs were small and were agreed by the Respondent with the exception of service charge year 2010/11 when there was a period with no entryphone. The Applicant conceded that no costs would be paid for entryphone in that year. The Tribunal has already determined that the correct Section 20 procedure was undertaken when the maintenance contract was entered into in 2008. The amounts payable for each of the service charge years in question are shown in Appendix 2.

Lift

26. The Respondent considered that the cost for the lift was excessive. The Applicant explained that the costs covered maintenance of the lifts in good repair and a contract was entered into to cover the planned and preventative maintenance, reactive repairs monitoring and inspections and direct management. Major works were undertaken in 2007 but this related to the machinery that moved the lift car and not to the maintenance of the lift and the contract was not affected.

27. The Respondent maintained that the costs in 2011/12 were excessive as charges were also made for major works. She also complained that there were many charges for call outs when the lift had broken down that were the fault of individual tenants leading to excessive costs.

The Tribunal's decision

28. The Tribunal has already determined that the correct Section 20 procedure was adopted when the contract for lift maintenance was entered into in 2007. The Respondent was resident in the Flat at that time and should have been aware of the consultation process.

29. There is no evidence to show that the cost of the lift maintenance contract is excessive. Whilst it is irritating when lifts break down, the Applicant has an obligation to ensue that the lifts are functioning properly at all times.

30. After some discussion about the costs for 2011/12, the Applicant agreed to a reduction in the cost and corrected an arithmetical error making a total of £241.03 for that year. The amounts payable for each of the service charge years in question are shown in Appendix 2.

Estate Lighting and grounds maintenance.

31. The Respondent has agreed the figures for estate lighting and grounds maintenance subject to her objection to the cost of the Applicant's overheads contained within the figures, and these are discussed later in the decision.

Care and Upkeep

32. This relates to cleaning and caretaking. The Respondent pays a proportion of the cost on a bed weighting proportion and these costs include refuse disposal and the hire of refuse bins. The services are provided by Southwark Cleaning Services, part of the London Borough of Southwark. The Tribunal heard from Mr Leon Williams, the area cleaning manager, who described the service given to Building as being external and internal cleaning on a daily basis.

33. The Respondent initially said had no complaints about the standard of the cleaning, although at the hearing she did say that her tenant had complained about the standard. She claimed that the cleaning could be done a lower price and produced an advertisement from a firm offering cleaning at £11-12 per hour as opposed to the £21.64 she had calculated as the hourly rate. She referred to a report by Grant Thornton that highlighted the fact that the cleaning services were not good value for money.

34. Mr Dudhia explained that the costs included employee benefits, holiday and sickness cover. He produced a value for money assessment based on the 2009 figures prepared by Housemark Consultancy in 2010 which had concluded that the cleaning service offered by the Applicant was good value for money. It also stated that the grounds maintenance was of a high standard.

The Tribunal's findings

35. The Respondent originally had no complaint about the standard of cleaning but on the second day she said her tenant had complained. The Tribunal did not consider that an unsuppported remark late in the proceedings could be regarded as evidence. The services are provided by an in house organisation and there is monitoring by the relevant committee. A value for money report was commissioned for the costs in 2009, and this post dates the Grant Thornton Report. It concluded that the findings of that report were that the cleaning was good value

for money and the grounds maintenance was excellent value for money. The report found that the high staff levels and high standards were reflected by the costs.

36. The Tribunal finds that the cost of care and upkeep is reasonable and the amounts payable for each of the service charge years in question are shown in Appendix 2. Whilst an individual property owner might well be able to obtain a cleaner at a lower hourly rate, the cleaning of large-scale social housing estates is a different and more complex matter: it is not a like for like comparison.

Responsive minor repairs.

37. During the hearing the Respondent agreed all the minor repairs with the exception of the replacement of a window replacement following a break in. There were charges of £553 to repair the window. Ms Bennett explained that the windows are the responsibility of the Applicant in accordance with the terms of the leases. Where damage occurs, a repair order is raised and, if there is an incident such as vandalism or burglary, the occupier of the flat affected has to report the matter to the police and obtain a crime number. In this case there was no evidence of vandalism or burglary and, in the absence of a crime number, no insurance cover would be available. She said that it was more economical to attend to minor repairs rather than making an insurance claim since the cost of investigation would be high and there was an excess on the policy. The sum involved may well be less than the excess.

The Tribunal's decision

38. There was no evidence that the cost of minor repairs was unreasonable. The Tribunal accepts Ms Bennett's explanation as to the reason for not claiming on insurance and agrees that undertaking the window repair would be the most economical way of complying with the Applicant's obligation to keep the windows in repair. It was also noted that the contribution from the Respondent in respect of this window would be £11, a minimal sum.

Overheads

39. The Respondent complained that overheads were charged twice – once within the individual costs and again as a separate percentage. Ms Bennett explained that the overhead allocation relates to a proportion of the direct costs of housing staff in managing and supervising the contractors and the administrative costs of running the services provided. The Estate allocation relates to repairs undertaken on the Estate. These should be distinguished from the 10% management

charges as these cover the cost of Home Ownership services in administering the service charge accounts.

40. Mr Dudhia expanded by stating that the manager of each department would state how much had been spent on each item within the services. The percentage would be arrived at by dividing the cost of services by the cost of the staff administering those services. These costs are borough wide and the resulting percentage is applied to each of the blocks within the Estate and divided between the occupants of each block using the bed weighting method. There was a difference in the heating costs as these are calculated using the same percentages as when calculating the contribution to the heating

41. Mr Dudhia agreed that there was no breakdown of the overheads cost in the service charge figures. However, if a long leaseholder asked for a breakdown, this would be provided. He produced a breakdown of the overhead costs for each of the items in the service charge account. This showed the cost of staff employed in each service and the total costs of each service and the resulting percentage used for the overhead charges. These were provided for service charge years 2009/10-2012/13.

The Tribunal's decision

42. The Tribunal is aware that in the case of **London Borough of Southwark v Gary Paul & Others and Jurgens Benz [2013] UKUT 0375(LC),** the Upper Tribunal concluded:

> "LBS method of calculating overheads is crucially dependent upon the estimates of the area managers about the amount of time their staff spend on communal services. ....There is no means of checking or verifying those estimates.... There are variations in the descriptions of staff jobs titles from year to year and also the percentage of time that the job-holders spend on communal services. .....there is no reason to suppose that the variations indicate a flawed method. .....On balance we consider that the estimates provided by the area managers are reasonable and appropriately used to calculate LBS's overheads.

43. The overheads are based on the direct costs of the relevant staff in administering the services. The Upper Tribunal found that the principle of collecting for overheads is acceptable and the method used results in a reasonable charge.

44. The Applicant does not specify the amount of overheads in the service charge accounts. Long leaseholders have to request that information. The Applicant produced, on the second day of the hearing, some detailed tables of overhead costs, which the Tribunal Members found difficult to decipher, even with their professional expertise. The situation is far from transparent, in the Tribunal's view. Although the Tribunal has no power to make an order, it is desirable that

leaseholders in future are provided with simple information on the overhead charges within individual service elements and how these are calculated, giving the full picture of the total level of overhead costs. The overheads are quite separate from the management costs of 10% which relate to the administration of the Estate through the Home Ownership Unit.

45. The Tribunal determine that the cost of overheads calculated in the manner described to it is reasonable, if not yet transparent, and that the management fee of 10% is also reasonable.

Conclusions

46. The Tribunal was not impressed with either party's conduct. The Applicant delivered many of the relevant documents late, and poorly presented. This included documents specifically referred to in the Tribunal's directions. Mr Dudhia was asked to recalculate the figures for heating between the first and second hearing but it transpired that nothing had been done and the Tribunal's time was wasted whilst he left the room to do these calculations. Although the question of Section 20 consultation was raised at the outset, no documents were produced until the second hearing when Ms Blair produced them and was able to answer a number of questions raised.

47. Ms Bennett said that the late request for Section 20 documents involved an extensive search through archives, hardly surprising when some of them date back to 2007. The Respondent is partly to blame due to her very late request for these documents. It transpired that some of these were served on her at the Flat before she left and others were served on her new address after October 2009, once the relevant department had been notified of her change of address. The Respondent has also failed to pay anything at all towards the services for all of the service charge years in question, although she said she had made a payment on account on the last day of the hearing. She did not have an issue with the insurance but had made no attempt to make any contribution. The Tribunal is mindful of the fact that she has let the Flat to a tenant who has the benefit of all the services that she has failed to pay for. Relevant documents were made available for inspection and accounts were produced audited in accordance with the law. The Respondent sought to rely upon legislation that is part of the Act, as a reason for failing to pay but this part has not been enacted and accounts signed by the finance officer of a local authority is authorised.

Section 20C, refund of fees and costs

48. The Tribunal considered the question of an order under Section 20C of the Act which would have the effect of preventing the costs of these proceedings being relevant costs when calculating the service charge. The Applicant said that it would not be seeking to include the costs of

the Tribunal hearing in the service charge. There seems little point in making an order under Section 20C but, were the Tribunal to do so, it would order that only half the costs should be included, having regard to the Applicant's shortcomings discussed above.

49. On the question of Tribunal fees and costs, the Applicant is seeking refund of the fees of £190 whilst the Respondent is seeking refund of three Eurostar trips (one for the Case Management Hearing) at £223 per trip. Since the Tribunal considers both parties at fault to a degree, the Applicant is ordered to pay one Eurostar trip of £223 and the Respondent is ordered to pay £190 for the hearing fee. There was no need for the Respondent to attend the case Management Review, as this was a procedural hearing.

50. The Tribunal considers that it would be helpful if long leaseholders were told to seek any clarification of service charge issues within six months of the final accounts being delivered to avoid the waste of public money involved in seeking archived documents. Similarly, it would be helpful if the Applicants advised long leaseholders that any change of address must be notified to all relevant departments. These initiatives would have avoided a great deal of wasted time.

51. The sums determined are long overdue and are payable immediately.

Judge Tamara Rabin

4.3.14

Appendix 1

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.

Section 19

(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -

(a) only to the extent that they are reasonably incurred, and

(b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard;

and the amount payable shall be limited accordingly.

(2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary

adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

(1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to -

(a) the person by whom it is payable,
(b) the person to whom it is payable,
(c) the amount which is payable,
(d) the date at or by which it is payable, and
(e) the manner in which it is payable.

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

(3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to -

(a) the person by whom it would be payable,
(b) the person to whom it would be payable,
(c) the amount which would be payable,
(d) the date at or by which it would be payable, and
(e) the manner in which it would be payable.

(4) No application under subsection (1) or (3) may be made in respect of a matter which -

(a) has been agreed or admitted by the tenant,
(b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
(c) has been the subject of determination by a court, or
(d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.

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

Section 20

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

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

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

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

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

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

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

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

Section 20B

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

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

Section 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.

Service charges - 19 Styles House, London SE1 8DP

Item	2009-10 (£)		2010-11 (£)		2011-12 (£)		2012-13 (£)	
	Demanded by landlord (Bundle, page 119)	**Determined by Tribunal**	**Demanded by landlord** (Bundle, page 152)	**Determined by Tribunal**	**Demanded by landlord** (Bundle, page 431)	**Determined by Tribunal**	**Demanded by landlord** (Figures produced at hearing)	**Determined by Tribunal**
Building insurance	183.09	183.09	201.50	201.50	203.41	203.41	203.41	203.41
Heating	708.52	676.22	592.83	395.76	484.19	457.90	443.61	424.94
Entryphone	2.55	2.55	2.85	-	27.83	27.83	4.54	4.54
Lifts	99.15	99.15	313.34	313.34	356.03	241.03	119.67	119.67
Estate lighting	27.57	27.57	17.42	17.42	11.72	11.72	45.68	45.68
Estate grounds maintenance	107.01	107.01	119.21	119.21	115.83	115.83	123.92	123.92
Care and upkeep	327.72	327.72	312.13	312.13	308.92	308.92	316.86	316.86
Responsive (minor) repairs	169.39	168.22	64.59	64.59	-23.89	-23.89	317.15	317.15
Sub total	1,627.00	1,591.53	1,623.87	1,423.95	1,484.04	1,342.75	1,574.84	1,566.17
Administration cost – 10%	162.70	159.16	162.39	142.40	148.40	134.28	157.48	156.61
Revision by landlord (See para xx)	-	-	- 67.34	-67.34	-	-	-	-
Total	**1,789.70**	**1,750.69**	**1,718.92**	**1,499.01**	**1,632.44**	**1,477.03**	**1,742.32**	**1,712.78**