



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **BIR/17UF/LVT/2015/0007**

Property : **Rutland Court
Rutland Street
Matlock
Derbyshire DE4 3GN**

Applicant : **Rutland Court (Matlock) Ltd**

Representative : **Taylor & Emmet Solicitors**

Respondents : **Leaseholders of
Flats 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11,
12, 15, 16
Rutland Court
Rutland Street
Matlock
Derbyshire DE4 3GN**

Type of Application : **Application under section 37 of the
Landlord and Tenant Act 1987 for the
variation of leases**

Date of Decision : **13 September 2016**

DECISION

Decision of the Tribunal

The application for variation of the leases is allowed to the extent set out below, and as detailed in the attached Order.

The Application

1. This application is for the variation of 15 leases (“The Leases”) of residential flats at Rutland Court, Rutland Street, Matlock, Derbyshire, DE4, 3GN (“Rutland Court”). It is made under section 37 of the Landlord and Tenant Act 1987 (“The Act”).
2. The Applicant is the freeholder of Rutland Court. The Respondents are the respective leaseholders of Flats 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 15 and 16. There are no Flats 13 and 14. The Leases of all the flats are listed in the Schedule of Respondents attached to this decision.
3. The Applicant is the Company Rutland Court (Matlock), who bought the freehold in 1998.
4. Rutland Court is a stone and slate Victorian building with a range of single and double glazing, both timber frame and UPVC. There are two communal entrances to the building, which has been converted into flats. It is set in its own grounds. Since construction, parts of the buildings at the rear and part of the grounds have been sold off by the freeholder, and Flat 7 has been subdivided into Flat 7 and Flat 7A. Flats 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 15 and 16 are all within the single block of Rutland Court, and comprise the freehold property of Rutland Court and are the subject of this application. There is parking space for 14 vehicles, but only 13 of the spaces are allocated to Rutland Court (see below at paragraph 12).
5. Within the site are three separate dwellings that have shared access to the site and shared rubbish provision. These properties are not part of this application.
6. The Tribunal has been provided sufficient information regarding the leases to be satisfied that the leases are in similar form, so far as is material to this application.
7. The application to vary the leases is summarised as follows;
 - (i) First Schedule, Paragraph 8. Allocation of parking space.
 - (ii) Third Schedule, Paragraph 4. Amendment to number of cars per lease permitted to park in the car park.

- (iii) Fourth Schedule, Paragraph 1. Variation of service charge percentage payable.
 - (iv) Fourth Schedule, Paragraph 2. Amendment to dates of service charge year.
 - (v) Fourth Schedule, Paragraph 2. Introduction of provision for financial reserve.
 - (vi) Fourth Schedule, Paragraph 3. Amendment to dates the service charge payments are to be paid.
 - (vii) Fourth Schedule, Paragraph 3. Introduction of interest charge on late payments due under the lease.
8. Consent to the application was received from all of the leaseholders except from one respondent, Mr Roland-Shrub, leaseholder of Flat 7A.
9. Objections to the application were received from one respondent, Mr Roland-Shrub, leaseholder of Flat 7A.

The Law

10. The relevant legislation is contained in sections 37 and 38 of the Landlord and Tenant Act 1987 which provide, insofar as they are relevant to the present case, as follows:

37 Application by majority of parties for variation of leases

(1) -

(2) -

(3) The grounds on which an application may be made under this section are that the object to be achieved by the variation cannot be satisfactorily achieved unless all the leases are varied to the same effect.

(4) -

(5) Any such application shall only be made if -

(a) -

(b) in a case where the application is in respect of more than eight leases, it is not opposed for any reason by more than 10 per cent of the total number of the parties concerned and at least 75 per cent of that number consent to it.

38 Orders by the court varying leases.

(1) -

(2) -

(3) If, on an application under section 37, the grounds set out in subsection (3) of that section are established to the satisfaction of the [Tribunal] with respect to the leases specified in the application, the [Tribunal] may (subject to subsections (6) and (7)) make an order varying each of these leases in such manner as is specified in the order.

(4) -

(5) -

(6) The [Tribunal] shall not make an order under this section effecting any variation of a lease if it appears to the [Tribunal]-

(a) that the variation would be likely substantially to prejudice-

(i) any respondent to the application, or

(ii) any person who is not a party to the application,

and that an award under subsection (10) would not afford him adequate compensation, or

(b) that for any other reason it would not be reasonable in the circumstances for the variation to be effected.

(7) -

(8) -

(9) -

(10) Where the [Tribunal] makes an order under this section varying a lease the [Tribunal] may, if it thinks fit, make an order providing for any party to the lease to pay, to any other party to the lease or to any other person, compensation in respect of any loss or disadvantage that the court considers he is likely to suffer as a result of the variation.

Inspection

11. The Tribunal conducted an external inspection of the property on 27 June 2016. The parties were notified of the date and time of the inspection. The Applicant was represented by Mr Pearson, a director of the Applicant Company and the company secretary. Mr Pearson is also the leaseholder of Flat 8 and so is also, of course, a Respondent. The

Respondent Mr Roland-Shrub, leaseholder of Flat 7A, was present, as was the Respondent Dr Coates, leaseholder of Flat 4.

12. There is a common area to the front of the building, with marking to allow for the parking of 14 vehicles (“the car park”). One of these spaces is not within the freehold demise. Accordingly, there are 13 marked spaces for the use of the 15 Flats. There is an unmarked area separate from the main area of the car park, which the parties drew the attention of the Tribunal to, and stated that with some works, could be enlarged and provide a further parking space.
13. The Tribunal made no other observations material to this application.
14. At the inspection Mr Pearson confirmed for the Applicant that they did not require an oral hearing, as did Mr Roland-Shrub. No other respondent had indicated in the papers that they required an oral hearing. Following the inspection, the Tribunal made directions in respect of further submissions and, upon consideration of the further submissions, notified the parties that the matter would be determined on the papers before it.

Submissions and determination

15. The requirements of section 37(5)(b) of The Act are met, in that the property is in respect of more than 9 leases, no more than 10% of the relevant parties objected (the single objection amounted to 7%), and more than 75% of the relevant parties consented (the 14 consents amounted to 93%).

The proposed variations

Variation (i) - First Schedule, Paragraph 8. Allocation of parking space:

16. The leases do not currently provide for allocation of a numbered parking space. Parking is allowed on the basis that if there is a space available a leaseholder has the right to park a vehicle in that space. The proposal is for a new paragraph 8 to be inserted into the first schedule as follows: “a right to parking a motor vehicle in the space numbered [] or such other space as the Landlord shall designate from time to time.

Discussion

17. There are currently 13 car parking spaces.
18. Whilst the parties drew the Tribunal’s attention at the inspection to an area that could possibly be turned into a further parking space, that space was not currently available for parking. Some works would need

to be carried out, and it was not clear from the inspection that the space could be a functioning car park space even after such works. Accordingly, the Tribunal made its determination on the basis that there are 13 parking spaces.

19. There was considerable discussion within the submissions from the Applicant and from Mr Roland-Shrub, as to whether or not Mr Roland-Shrub has given up his right to use the car park by way of a compromise agreement dated 27 January 2014.
20. If Mr Roland-Shrub has retained the right to use of the car park, then there are 15 authorised users of the car park. If Mr Roland-Shrub has not retained the right, then there are 14 authorised users of the car park.
21. In view of the fact that there are 13 spaces and there are, at the least, 14 authorised users, the Tribunal found that it could not make the variation proposed as it was simply not possible to allocate numbered spaces to 14 (or 15) users in circumstances where there are only 13 spaces.
22. The agreement dated 27 January 2014 between Rutland Court (Matlock) Ltd, the landlord and freeholder of Rutland Court, and Mr and Mrs Roland-Shrub, leaseholders of Flat 7A, referred to a compromise agreement that would be formally addressed in any future lease variation. The current application does not propose such a variation.
23. In view of the above, it was not necessary for the Tribunal to determine whether or not Mr Roland-Shrub has retained the right to park in the car park. The issue of Mr Roland-Shrub's right to park in the car park is not the subject of this application, and it is not necessary to make a finding on the issue in order to determine the application. Accordingly, the Tribunal makes no finding on whether or not Mr Roland-Shrub has retained the right to park in the car park.

Variation (ii) - Third Schedule, Paragraph 4. Amendment to number of cars per lease permitted to park in the car park:

24. Paragraph 4 of the Third Schedule reads as follows: "not to have or to keep within the Grounds or the Flat more than two motor vehicles without the written consent of the Landlord". The proposal is that the current wording of "more than two motor vehicles" be replaced by "more than one motor vehicles".

Discussion

25. Mr Roland-Shrub objected to this variation on the basis that if variation (i) were made, then it was up to the authorised user of each space as to how many vehicles they chose to park on their space, giving the example of a motor bike and a small car. There were no objections otherwise.
26. In view of the fact that there is insufficient parking for just one vehicle each for the authorised users, be it 14 or 15, it is sensible to limit the number of vehicles to one for each user.
27. The Tribunal is minded to make the variation proposed, subject to consideration below of section 38 (6) of The Act.

Variation (iii) - Fourth Schedule, Paragraph 1. Variation of service charge percentage payable:

28. The current service charge proportions allow for 111% recovery of the service charge contributions. The proposed variation is to reduce the service charge under each lease by 11%, which will reduce the total service charge contribution to 100%.

Discussion

29. Mr Roland-Shrub did not object in principal to this variation but noted that on the percentages given by the Application in the application, the total contribution came to 100.04%. He suggested that, in addition to the percentage reduction proposed by the Applicant, the percentage for Flats 7, 12, 15 and 16 each be reduced by a further 0.01% to bring the total to 100%. He suggested these four flats as they have the highest unique percentages.
30. Whilst it is sensible in many cases for the total service charge contribution to come to 100% it is not essential. The excess is paid to the service charge account, to be expended in accordance with the terms of the lease. The applicant's proposed variation results in a total contribution of 100.04%, so would give rise to a very small excess contribution, and not one that could be said to be so unreasonable as to be one that the Tribunal could not approve.
31. The alternative proposal put forward by Mr Roland-Shrub raises its own issues. In order to determine if the additional reduction of the service charge for the 4 flats suggested was fair, the Tribunal would need to consider matters such as the basis on which the service charge proportions were calculated. Such enquiries would delay resolution of this application and would be disproportionate.
32. The Tribunal is minded to make the variation proposed by the Applicant, subject to consideration below of section 38 (6) of The Act

Variation (iv) - Fourth Schedule, Paragraph 2. Amendment to dates of service charge year:

33. Between the 15 leases, there are 3 different dates for the service charge year. The leases in respect of flats 1, 4, 5, 6, 7, 7a and 10 refer to a 12 month period ending on 24 February each year. The leases in respect of flats 2, 3, 5, 8 and 9 refer to a 12 month period ending on 28 February each year. The leases in respect of flats 11, 12 and 15 refer to a 12 month period ending on 1 March each year. Incomplete lease details were provided for Flat 16, but as this Flat was created at the same time as Flat 15, the Tribunal has presumed that this too was for a 12 month period ending on 1 March each year.
34. The Applicant proposes that all of the leases are varied to ‘... 12 month period to 31 March each year’.

Discussion

35. There were no objections to this proposed variation. The proposed variation is sensible. It makes administrative sense for there to be uniformity of dates.
36. The Tribunal is minded to make the variation proposed, subject to consideration below of section 38 (6) of The Act.

Variation (v) - Fourth Schedule, Paragraph 2. Introduction of provision for financial reserve:

37. There is no provision in the lease for collection of a reserve fund from the leaseholders. The proposed variation is for the inclusion of the following provision: “the maintenance of a reasonable financial reserve”.

Discussion

38. Mr Roland-Shrub objected to the proposed variation. He stated that the Applicant Company has the facility within their articles of association to maintain a financial reserve and, as such, it is not necessary for there to be such a provision within the lease. He stated that he had concerns about the suitability for the current Directors to be responsible for administering such a scheme, and gave details of his previous experience when there had been a trial of a financial reserve. He stated that on that occasion the financial reserve had not been properly administered.
39. The fact that the Applicant Company has the facility within their articles of association to maintain a financial reserve does not prohibit

there being provision for such a reserve under the lease. Indeed, a financial reserve provided for under the lease provides the leaseholders greater protection than if it is one provided for under the company's articles of association, as the leaseholders have the protection of the provisions of sections 18-30 of the Landlord and Tenant Act 1985.

40. With regard to the other objection raised by Mr Roland-Shrub, the Tribunal finds that Mr Roland-Shrub has not made out a case that the Applicant is not able to properly administer a financial reserve and, in any case, if he has concerns about such a reserve he has recourse to sections 18-30 of the Landlord and Tenant Act 1985.
41. The Tribunal agrees that it is sensible to have a reasonable financial reserve.
42. The Tribunal is minded to make the variation proposed, subject to consideration below of section 38 (6) of The Act.

Variation (vi) - Fourth Schedule, Paragraph 3. Amendment to dates the service charge payments are to be paid:

43. The dates for payment of the service charge vary between the leases. The Applicant proposes that each lease has the same payment dates for the service charge. The proposed variation is detailed in the Schedule of Variations annexed to this decision. The effect of the variation is that 50% of the estimated service charge for the forthcoming year is payable on the first of April, and 50% of the estimated service charge for the forthcoming year is payable on the first of October. (Note; at paragraph 2(b) of the Fourth Schedule, the lease makes provision for payment of a balancing charge.)

Discussion

44. Mr Roland-Shrub observed that the current provision is for payment of 50% each April, with the balance paid the following April. He observed that the proposed variation requires a payment in October as well as April, where there had previously only been payments in April. He accepted that the proposal would benefit the cash flow of the Applicant, but submitted that this change, in seeking an additional payment from the leaseholders, is neither necessary nor proportionate.
45. The Tribunal makes the point that there is no additional amount payable by the leaseholders under the proposed variation. The change proposed is to the dates in which the existing payments are to be made. The Tribunal is of the view that it is standard practice for there to be payments made in the manner proposed by the Applicant, and finds that this is a reasonable and, indeed, sensible way to collect the service charge.

46. The Tribunal is minded to make the variation proposed subject to consideration below of section 38 (6) of The Act.

Variation (vii) - Fourth Schedule, Paragraph 3. Introduction of interest charge on late payments due under the lease:

47. The Applicant submits that there is insufficient or, indeed, no, provision within the leases for payment by the leaseholders of interest on late payments of sums due under the lease. The proposed variation, by way of inclusion of a new paragraph, is detailed in the Schedule of Variations annexed to this decision. The Applicant proposes to impose a requirement on the leaseholders to pay interest on sums overdue at the rate of 4% above the base lending rate of Barclays Bank PLC.

Discussion

48. Mr Roland-Shrub objected to the proposed variation. Included in his objections was his view that the lease and the Tribunal system hold sufficient recourse for the Landlord.
49. The Tribunal is of the view that it is standard practice for there to be interest on late payments, as proposed by the Applicant, and finds that the imposition of interest on late payments is a reasonable provision. However, the Tribunal finds that the proposed rate is higher than one generally finds, and the Applicant has not provided evidence to support its application for such a high rate. The Tribunal finds that a rate of 2% above the base lending rate cited by the Applicant is a reasonable rate.
50. The Tribunal is minded to make the variation proposed, but at 2% instead of 4%, subject to consideration below of section 38 (6) of The Act.

Section 38 (6)

51. There is no evidence before the Tribunal that the reduction of allowable vehicles in the car park from two to one will cause difficulties. There is no evidence before the Tribunal that the reduction in the service charge percentage and the variation to the service charge year causes substantial or, indeed, any prejudice.
52. Payment of 50% of the estimated service charge in October each year, rather than the following April, could be said to possibly cause some difficulty to Respondents in managing their cash flow, but there is no evidence before the Tribunal to show that this amounts to being likely to cause substantial prejudice.

53. Payment toward a reserve fund would be likely to increase the service charge payable, both while the reserve fund is built up and thereafter while it is being maintained. However, the variation provides for a reasonable reserve fund and, as such, taking into account the amounts required to build up and then maintain such a reserve fund, there is no evidence that this variation would be likely to cause substantial prejudice.
54. The imposition of an interest charge on late payments would not cause prejudice. If payments due are made on time, no interest can be charged.
55. The Tribunal finds that an order in the terms indicated above would not be likely to substantially prejudice any respondent or any other person.
56. The Tribunal is not prohibited by section 38 (6) from making an order under section 37.

Section 37(3)

57. The requirements of section 37(3) of The Act are met, in that the object to be achieved by the variations cannot be satisfactorily achieved unless all the leases are varied to the same effect.

Order

58. The Tribunal orders that the leases are varied as set out as indicated above, and as detailed in the Order Appended to this decision.
59. In reaching their determination the Tribunal has had regard to the evidence and submissions of the parties, its inspection of the property, the relevant law and its own knowledge and experience as an expert Tribunal but not any special or secret knowledge.
60. If either party is dissatisfied with this decision they may apply in writing to this Tribunal for permission to appeal to the Upper Tribunal on a point of law. Any such application must be made within 28 days of the date given below (regulation 52 (2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rule 2013) stating the grounds upon which it is intended to rely on in the appeal.

Name: Judge S McClure

Date: 13 September 2016

Schedule of Respondents

Flat Number and lease particulars	Name and address of registered proprietor (alternative addresses for correspondent and contact telephone numbers and emails where known)	Title Number
Flat 1 - Lease dated 24 February 1975 between (1) Edward Trevor Dakin, Lily Hope Hadfield and Jack Dakin (2) Edward Trevor Dakin	Joshua Andrew Walker and Olivia Ramsden	DY299510
Flat 2 – Lease dated 15 October 1982 between (1) Edward Trevor Dakin and Others (2) Alan John Knifton	Renwick Kenneth Peter Woodhams and Dale Elizabeth Woodhams	DY181887
Flat 3 – Lease dated 29 July 1994 between (1) Lily Hope Hadfield, Jack Cowood Dakin and Marjorie Louisa Dakin (2) Monica Alice Else	Ian Revill and Pauline Revill	DY255873
Flat 4 – Lease dated 23 March 1978 between (1) Edward Trevor Dakin and Others (2) Martin Paul Waters	Dr Robert Peter Coates MBE and Mrs Ruth Coates	DY168575
Flat 5 – Lease dated 2 July 1976 between (1) Edward Trevor Dakin and Others (2) Ethel Vera Rogers	Paul Anthony Vaughan and Pernille Monica Vaughan	DY279011
Flat 6 – Lease dated 24 February 1975 between (1) Edward Trevor Dakin and Others (2) James Edward Hadfield	Lee Wright	DY238263
Flat 7 – Lease dated 24 February 1975 between (1) Edward Trevor Dakin and Others (2) Jack Cowood Dakin	Donald Hinchcliffe	DY199178
Flat 7a – Lease dated 24 February 1975 between (1) Edward Trevor Dakin, Lily Hope Hadfield and Jack Dakin (2) Jack Cowood Dakin	Steven Rowland Shrub and Elizabeth Rowland Shrub	DY408605
Flat 8 – Lease dated 7 August 1992 between (1) Lily Hope Hadfield, Jack Cowood Dakin and Marjorie Louisa Dakin (2) Neil Edwin Charlesworth	Barry Michael Pearson and Anne Rosemary Pearson	DY235855

Flat 9 – Lease dated 29 June 1990 between (1) Marjorie Louisa Dakin, Lily Hope Hadfield and Jack Cowood Dakin (2) David Keith Grant and Julia Elizabeth Grace	Neil Webster and Tracy Webster	DY211888
Flat 10 – Lease dated 3 January 1979 between (1) Edward Trevor Dakin, Lily Hope Hadfield and Jack Dakin (2) Victoria Louise Scales	Peter Jack Hart, John Lesley Hart and Catherine Anne Hart	DY410506
Flat 11 – Lease dated 24 February 1975 between (1) Edward Trevor Dakin and Others (2) Norman Warwick Boden	Andrew Evans	DY178595
Flat 12 – Lease dated 26 April 1979 between (1) Edward Trevor Dakin and Others (2) Tussac (Builders) Limited	Melanie Jane Bond Tel: 01629 533101	DY192838
Flat 15 – Lease dated 28 April 1979 between (1) Edward Trevor Dakin and Others (2) Tussac (Builders) Limited	Lynne Hines	DY215091
Flat 16 – Lease dated 26 April 1979 between (1) Edward Trevor Dakin and Others (2) Brian Money and Gillian Money	Daniel Matthew Alan Jones	DY199277

APPENDIX



**FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **BIR/17UF/LVT/2015/0007**
Property : **Rutland Court, Rutland Street.
Matlock, Derbyshire DE4 3GN**

ORDER FOR THE VARIATION OF LEASES

Date of Order: 13 September 2016

UPON the application of the Applicant under section 37 of the Landlord and Tenant Act 1987 (“the Act”) for the variation of the leases listed in the Schedule of Respondents hereto (“the Leases”),

AND UPON considering representations on behalf of the Applicant and the Respondents, it is Ordered:

1. The Leases shall be varied as set out in the Schedule of Variations attached to this Order.

Judge S McClure

SCHEDULE OF VARIATIONS

Variation (i) Allocation of parking space		No variation
Variation (ii) Amendment to permitted number of vehicles	Paragraph 4, Third Schedule	Paragraph 4 of the Third Schedule shall be amended by the deletion of the words: “more than two motor vehicles” and shall be replaced with the words: “more than one motor vehicle”
Variation (iii) Variation of service charge percentage payable	Paragraph 1, Fourth Schedule	Paragraph 1 of the Fourth Schedule shall be amended by the deletion of the words: “The Lessee shall pay to the Landlord by way of service charge a proportion equivalent to [see List of percentages number 1] per centum of the costs (including any Value Added Tax or similar tax attributable thereto) to be incurred by the Landlord in respect of the undermentioned matters relating to the whole of the Building and the Grounds (except where such matters are the responsibility of any individual lessee therein) at the time and in the manner following:” and shall replaced with the words: “The Lessee shall pay to the Landlord by way of service charge a proportion equivalent to [see List of percentages number 2, appropriate % to be inserted into the lease] per centum of the costs (including any Value Added Tax or similar tax attributable thereto) to be incurred by the Landlord in respect of the undermentioned matters relating to the whole of the Building and the Grounds (except where such matters are the responsibility of any individual lessee therein) at the time and in the manner following:”
Variation (iv) Amendment to dates of service charge year And Variation (v) Provision for financial reserve	Paragraph 2, Fourth Schedule	Paragraph 2 of the Fourth Schedule shall be amended by the deletion of the words: “The Landlord or his agent shall make an estimate in respect of each and every twelve month period to the [24 th / 28 th February; 1 st March] in each year (hereinafter referred to as “a service charge year”) (subsequent to the year referred to in clause 3(2) hereof) in anticipation of the costs and expenses to be incurred in and about the matters provided in this Schedule and in respect of such estimate

		<p>there shall be taken into account</p> <ul style="list-style-type: none"> (a) the costs and expenses which the Landlord or his agent consider may be incurred not only in the service charge year covered by the estimate but also in any service charge year or years and (b) any over or under estimate made in regard to any earlier year or years“ <p>and shall replaced with the words:</p> <p>“The Landlord or his agent shall make an estimate in respect of each and every twelve month period to the 31st March in each year (hereinafter referred to as “a service charge year “) in anticipation of the costs and expenses to be incurred in and about the matters provided in this Schedule and in respect of such estimate there shall be taken into account</p> <ul style="list-style-type: none"> (a) the costs and expenses which the Landlord or his agent consider may be incurred not only in the service charge year covered by the estimate but also in any service charge year or years; and (b) any over or under estimate made in regard to any earlier year or years; (c) the maintenance of a reasonable financial reserve
<p>Variation (vi) Amendment to dates service charge payments are to be made</p>	<p>Paragraph 3, Fourth Schedule</p>	<p>Paragraph 3 of the Fourth Schedule shall be amended by the deletion of the words:</p> <p>“To the intent that the Landlord shall be fully and effectually indemnified in respect of the costs and expenses referred to in the preceding Clause hereof the Lessee shall pay to the Landlord:</p> <ul style="list-style-type: none"> (a) in respect of the service charge year to the 24th / 28th February; 1st March One thousand nine hundred and (<i>various years</i>) the sum of [] each sum to be paid as at the date hereof (b) In respect of each service charge year thereafter on each rent payment date such sum as shall be equal to fifty per centum of the amount of the said estimate made by the agent for the year then current the first such payment being due on the (<i>various</i>) day of (<i>Feb / March</i>) one thousand nine hundred and (<i>various years</i>) and for the avoidance of doubt it is hereby agreed and declared that the payment dates for each service charge year are the (<i>various</i>) Day of (<i>Feb / March</i>) being the first day of

		<p>such year and the following (?) day of (Feb/March)”;</p> <p>and shall replaced with the words:</p> <p>“To the intent that the Landlord shall be fully and effectually indemnified in respect of the costs and expenses referred to in the preceding Clause hereof the Lessee shall pay to the Landlord in respect of each service charge year on each rent payment date such sum as shall be equal to fifty per centum of the amount of the said estimate made by the agent for the year then current the first such payment being due on the first day of April and for the avoidance of doubt it is hereby agreed and declared that the rent payment dates for each service charge year shall be the first day of April and the following first day of October.</p>
<p>Variation (vii) Interest charge on late payments</p>	<p>Paragraph 3, Fourth Schedule</p>	<p>Paragraph 3 of the Fourth Schedule shall be amended to include a new sub-paragraph (C) as follows:</p> <p>“ (C) If any rent or any other money payable under this lease has not been paid by the date it is due, whether it has been formally demanded or not, the Tenant shall pay the Landlord interest at the Default Interest Rate (both before and after any Judgement) on that amount for the period from the due date to and including the date of payment.</p> <p>It is hereby agreed that the Default Interest Rate shall be 2% above the base lending rate from time to time of Barclays Bank PLC, or if that base lending rate stops being used or published then at a comparable rate reasonably determined by the Landlord.</p>

List of percentages number 1

Flat	%
1	8.50%
2	8.00%
3	8.00%
4	8.00%
5	8.50%
6	8.50%
7	7.50%
7a	1.00%
8	8.00%
9	6.00%
10	8.50%
11	8.00%
12	7.00%
15	6.50%
16	9.00%

Total 111.00%

List of percentages number 2

Flat	%
1	7.66%
2	7.21%
3	7.21%
4	7.21%
5	7.66%
6	7.66%
7	6.76%
7a	0.90%
8	7.21%
9	5.41%
10	7.66%
11	7.21%
12	6.31%
15	5.86%
16	8.11%

Total 100.04%