FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY) &

IN THE COUNTY COURT at Thanet sitting at Havant Justice Centre, Elmleigh Rd, Havant PO9 2AL

Tribunal reference	**:**	**CHI/29UN/LSC/2021/0039**
Court claim numbers	**:**	**F89YJ530 & F90YJ074**
Property	**:**	**Loft Void Flats 1 & 2, 63-65 King Street, Ramsgate CT11 8NX**
Applicants/Claimants	**:**	**Michael Leigh Dyer & Christopher Dyer**
Representative	**:**	**Dr Natalie Pratt instructed by LMP Law Ltd**
Respondent/Defendant	**:**	**Michael Paul Thumwood**
Representative	**:**	**Mr Philip Noble (direct access counsel)**
Tribunal members	**:**	**Judge E Morrison** **Mr K Ridgeway MRICS**
In the county court	**:**	**Judge E Morrison**
Date of decision	**:**	**22 June 2021**

DECISION

Those parts of this decision that relate to County Court matters will take effect from the 'Hand Down Date' which will be the date this decision is sent to you.

Summary of the decision made by the Tribunal

1. None of the service charges claimed are presently payable by the Respondent.

2. An order is made under section 20C of the Landlord and Tenant Act.

Summary of the decision made by the Court

3. The Respondent is to pay the Applicants' costs summarily assessed in the sum of £2411.00 by 4pm on 6 July 2021.

Procedural background

4. In July 2019 the Applicant lessors, through solicitors, issued two money claims in the county court against the Respondent lessee for unpaid ground rent and service charges, interest and costs. Each claim related to one of the two flats in the loft void at the Property, the leases to which were assigned by the original lessee to the Respondent in February 2016. The particulars and amount claimed in the two cases were identical.

5. On 29 July 2019 the Respondent filed Defences to the claims in identical terms, admitting the ground rent arrears but disputing liability for the service charges. The cases were allocated to the small claims track and listed for hearing on 29 January 2020. On that date DDJ Ashley ordered that judgment be entered against the Respondent in each claim for the ground rent arrears of £350.00, and on the application of the Respondent the dispute relating to the service charges was transferred to the Tribunal. Subsequently a further order of DJ Batey dated 14 April 2021 confirmed that a Tribunal Judge sitting as a county court judge could determine all matters arising in the claims.

6. There was considerable delay before the papers were received by the Tribunal from the court, but eventually Directions were issued by the Tribunal on 16 April 2021 and the matter came on for hearing, by way of video, on 15 June 2021. Both sides were represented by counsel. A considerable amount of documentation, much duplicated, was provided in the hearing bundle. Witness statements had been prepared by Bethanie Brown, a trainee solicitor who had conduct of the Applicants' case, and the Respondent. They both attended the hearing and gave evidence.

The Property and the background to the dispute

7. There was no inspection, but the Respondent provided some photos and the Tribunal, as indicated in the Directions, viewed the exterior of 63-65 King Street on the internet. It is a semi-detached older property in what appears to be a commercial area, comprising three floors plus the loft void. Aside from the loft void there are now six flats, two on each floor accessed through communal areas. Five of these flats have one bedroom, the sixth has two bedrooms. Two flats are owned by the Applicants, one by a friend of theirs, and one by one applicant's wife.

8. The leases of these six flats were not in evidence but the Tribunal was told that they provide for each lessee to pay 1/6th of the service charges. However, since the

leases of what are referred to as the loft void flats were granted in 2014, each of those six lessees has only been required to pay 1/8th of the service charges, and the lessee of each loft void flat has been asked to pay 1/8th.

9. When demised, the loft void flats were simply void spaces, with dormer windows to the rear. Drawings dated June 2010 show a proposed conversion into two flats, one with one bedroom, the other with two bedrooms. The identical leases dated 29 May 2014 were accompanied by a Licence for Alterations which required the conversion works to be completed within 8 months. At the point the Respondent acquired the leases in February 2016 no work had been done. When he commenced works in Spring 2016 the Applicants objected, and this culminated in county court proceedings in which the Applicants obtained an injunction prohibiting the Respondent from carrying out any building works without the Applicants' permission. The leases prohibit the Respondent from making any structural alterations save in accordance with the (now expired) licence.

10. Since then the conversion works have remained incomplete, and the flats are uninhabitable. The Respondent contends that no further structural works are required, and that the Applicants are unreasonably withholding consent to the non-structural works needed. Recently the Respondent has commenced new proceedings in the county court seeking a Declaration that consent is being unreasonably withheld.

11. In the meantime, the Respondent has refused to pay any service charges. Twice yearly on account demands have been made in the sum of £250.00 per flat, plus an additional sum for insurance. The claims cover the service charge years 2016/17, 2017/18, 2018/19 and the first on account demand in 2019/20. The total service charge claimed is £2259.69 per flat.

12. The relevant clauses of the leases will be referred to as necessary below.

The Tribunal's jurisdiction

13. Under section 27A of the Landlord and Tenant Act 1985 ("the Act") the Tribunal may determine all aspects of liability to pay service charges and can interpret the lease where necessary to resolve disputes or uncertainties. The Tribunal can decide by whom, to whom, how much and when a service charge is payable.

14. By section 19 of the Act a service charge is only payable to the extent that it has been reasonably incurred and if the services or works for which the service charge is claimed are of a reasonable standard. When service charges are payable in advance, no more than a reasonable amount is payable.

15. Under section 20C of the Act a tenant may apply for an order that all or any of the costs incurred by a landlord in connection with proceedings before a tribunal are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.

The issues

16. At the outset of the hearing the Tribunal asked the parties to identify the issues. These were:

    (i) Whether failure to comply with a condition precedent in the lease rendered the demands invalid
    (ii) Whether the apportionment of 1/8th per flat is correct
    (iii) Whether all the service charges are due and payable, particularly those for cleaning costs and works carried out personally by one of the Applicants
    (iv) Whether any liability to pay the service charges is eliminated by the refusal of the Applicants to permit the Respondent to complete the conversion works
    (v) Whether the demands on account were for an unreasonable amount.

Whether failure to comply with a condition precedent in the lease rendered the demands invalid

17. Paragraph 10(1) of the Second Schedule to the leases requires the lessee to pay the lessor "The Maintenance Contribution by two equal instalments in advance on 1st April and 1st October in every year". The leases define "The Maintenance Contribution" as "such sum as the Lessor or the Lessors Agent may certify in advance as being a reasonable estimate of the Tenant's liability under [paragraph 10(1)]". The Defences filed in the county asserted that the Applicants had failed to comply with the requirement for certification.

18. The point was also raised in a letter sent by the Respondent to the Applicants' solicitor on 7 June 2019, before the issue of proceedings, where he said "None of the service charge demands contain such certification and are therefore invalid – see Akorita v Marina Heights (St Leonards) Limited".

19. The Applicants' solicitor replied to this point in a letter of 14 August 2019, saying "Our clients have complied with the terms of the lease. Our clients' agent has "certified" the estimate by providing you with a reasoned service charge budget (further copy enclosed) and corresponding demand based on your apportionment".

20. The Respondent denies having received the budgets prior to 14 August 2019.

21. The Applicants did not adduce any further evidence relating to certification of the budgets or to their having been sent to the Respondent, save that Ms Brown, in her oral evidence, said that the managing agent had confirmed the budgets had been sent.

22. The budgets in evidence for each year consist of a single sheet of paper headed "Income and Expenditure Budget". They refer to a balance on account at start of year (which figure is the same as the closing figure on the previous year's end of year income and expenditure certificate), note that service charges of £4000.00 are due from lessees, list anticipated heads of expenditure, and state the

anticipated closing balance at the end of the year. In 2015/16 the anticipated expenditure is £4200.00 including insurance of £750.00. In the other years the anticipated expenditure is £4000.00 but insurance is not included. At the bottom of the sheet for 2016/17 and 2017/18 are the typed words "Prepared by Cockett Henderson based on all known expense items". These words are omitted from the budgets for 2018/19 and 2019/20.

23. Dr Pratt accepted that the definition of "The Maintenance Contribution" in the lease required that the budget sum be certified and that this was a condition precedent to payability. However, she submitted that the condition had been complied with. In support, she relied on *Rexhaven Ltd v Nurse & Alliance & Leicester Building Society* (1996) 28 HLR 241, a decision of Judge Colyer QC in the Chancery Division. In that case the management company was obliged under the lease to estimate the expected service charge costs and send to the lessee "a certificate of the amount so estimated and of the proportion thereof to be contributed by the lessee". The landlord's agents wrote to the lessee requiring payment. In response to a query from the lessee the landlords sent a further letter providing a detailed breakdown of the figure requested. The court considered that the meaning of the word "certificate" in that lease "required nothing more or less than a formal statement in writing of the precise amount or amounts" and concluded this was satisfied by the landlord's letter with the detailed figures. The judge added, *obiter dicta*, that "if the figures had been scribbled on the back of an envelope and handed in a highly informal manner to the tenant, in my view that would not be enough. Some degree of solemnity or formality is needed for the document to satisfy the requirement of this lease".

24. Dr Pratt submitted that sending the budgets to the Respondent was thus sufficient to meet the requirement of certification.

Determination

25. Unlike in *Rexhaven*, the leases in this case do not require that a certificate be sent to the lessee. However, if the budgets had been sent to the Respondent with a covering letter from the Applicants or the managing agents, confirming the sum demanded was a reasonable estimate, the Tribunal may well have accepted that the letter constituted the certification required by the lease. However, on the available evidence the Tribunal cannot be satisfied, on a balance of probabilities, that the budgets were ever sent to the Respondent. The Applicants were put on notice even before proceedings were issued, that certification was an issue, and had every opportunity to provide evidence of what was done. It would have been a simple matter, if the evidence exists, to produce copies of the letters allegedly sent by the managing agents, and/or to obtain a witness statement from someone responsible for the budget preparation at the managing agents. No such evidence has been adduced. Further, Ms Brown's evidence is lacking any specificity, and is obviously hearsay. The Tribunal can attach very little weight to it.

26. So the next question is whether the budget documents, standing alone, constitute the necessary certification. Dr Pratt urged the Tribunal to do so, relying on *Rexhaven*. However, in the view of this Tribunal, this case can be clearly distinguished from *Rexhaven* because the estimated sum in *Rexhaven* was effectively authenticated by the accompanying letters, which were dated and presumably signed. In this case the budgets are entirely unauthenticated. They

are on plain unheaded sheets of paper; anyone could have prepared them. There is no reference to them in any of the demands sent by the managing agents. Furthermore, they are undated. The leases require that the amount demanded is to be certified in advance i.e. before the demand is made. It is difficult to accept, without further corroboration, that these budgets were prepared in advance of the demands. For example, there is a demand dated 5 March 2018 for £250.00, said to be for the period 1 April 2018 – 30 September 2018. So the demand was prepared before the end of the 2017/18 service charge year on 25 March 2018. The question arises, therefore, as to how the budget sheet for 2018/19 prepared on or before 5 March 2018 can state that the "balance on account at start of year" is the very precise figure of £16,429.18, which is the sum stated on the 2017/18 end of year accounts, when those end of year accounts would not have yet been prepared.

27. Moreover, whereas in *Rexhaven* the requirement was simply that the amount be certified, the Flat Void leases require that the sum must be certified as being a reasonable estimate. Wording to this effect cannot be found anywhere on the budget documents.

28. Nor do we accept that certification means nothing more than putting a figure in writing. As that phrase is commonly understood it also requires some formal affirmation or confirmation. The budgets in this case wholly lack that formality. The typed words by an unknown person on two of the budgets "prepared by Cockett Henderson based on all known expense items" are insufficient to affirm or confirm that the budget is a reasonable estimate. The other two budgets do not contain even this statement.

29. It is also instructive to consider why the leases provide that sums demanded on account be certified as being a reasonable estimate. The requirement clearly affords lessees with a degree of protection against unreasonable demands that might otherwise result, particularly as there is no requirement that the budget itself be sent to the lessees for consideration. There is no reason to construe the requirement for certification in these leases simply as otiose or surplusage.

30. Accordingly, the Tribunal finds that the Applicants failed to comply with the requirements of the lease when making the service charge demands, because the demands were not for sums certified in advance as being a reasonable estimate. The Respondent is only obliged to make payments in advance for sums which have been so certified. We therefore find that, since the only demands made have been on account[1], no sums were payable when the claims were issued, and that remains the position now.

31. This finding does not mean that no service charges will ever be payable by the Respondent for the years in question. Putting any other objections aside, if the Applicants serve fresh demands based on end of year accounts, which do not fall foul of section 20B (1) of the Act, and which comply with the lease, service charges could still be recoverable. It should be mentioned, however, that the end

[1] For the sake of completeness we mention that the claims include three sums for insurance said to be due over the period, on top of the bi-annual demands for £250.00. These demands were not in evidence and expenditure on insurance is, inexplicably, missing from three of the budgets. It was not submitted that these demands, if they exist, were other than for "the maintenance contribution" and so our finding also applies to them.

of year accounts in the bundle are problematical. The “certificate of income and expenditure” appears in reality to be little more than a cash ledger. In none of the years is the true service charge income (whether received or not) shown. In one year insurance appears have been omitted from the expenditure. In 2017/18 there is an “income” sum of £13,957.99 which appears out of nowhere. More concerningly, although the lease provides for expenditure to include provision for costs reasonably anticipated to be incurred in the next three years, this is not done, and the credit balances are simply retained, which is not what the lease permits. There are no balance sheets.

32. Having found that no service charges are due, the Tribunal does not need to decide any of the other issues raised, but will do so in the event that it is wrong regarding the first issue.

Whether the apportionment of 1/8th per flat is correct

33. The leases of the flat voids state that the tenant’s proportion of the certified amount “shall be such proportion as is fair and reasonable”.

34. In *Windermere Village Marina Ltd v Wild* [2014] UKUT 0163 (LC) Martin Rodger QC said:

It was for the LVT to decide what was a fair proportion of the expense of communal services payable by the respondents… the fact that an alternative method, which it rejected, may also have been fair does not undermine its conclusion [48].

35. The Respondent submitted that an equal apportionment was not fair and reasonable on the following grounds:

- As the Loft void flats are incapable of occupation, the Respondent should not have to pay a service charge until the conversion works are completed because he does not benefit from the services provided. The Foreword to the RICS Service Charge Residential Code 3rd ed. States that:

  Depending on the terms of the lease the basis and method of apportionment, where possible, should be demonstrably fair and reasonable to ensure that individual occupiers bear an appropriate proportion of the total service charge expenditure that reflects the availability, benefit and use of services

- The useable living area and floor area of the flats is smaller than the other six flats, each flat being around 10.5% of the total floor area of all eight flats. The other flats were around 25% larger.

- The other six leases provide that they should each pay 1/6th of the service charge, which leaves nothing due from the Respondent’s flats.

- The unreasonable refusal of the Applicants to allow the Respondent to complete the conversion works is itself a reason why the Respondent should not be required to pay a service charge.

36. Under cross-examination the Respondent accepted that he might benefit from the building being insured and the fire alarm system, but denied he benefitted

from the common parts. He went to explain that not all the floor space indicated in 2010 drawings is useable because of the pitch of the roofs, and that the second bedroom in Flat 1 would have to be used as bathroom space for both flats, so each flat would end up having only one bedroom. He accepted his figures for floor area of the other six flats in the building were taken from the building footprint and plans and that his measurements were not exact.

37. In response to the Respondent's arguments the Applicants submitted that:

- Although no-one is living in the loft void flats, they are occupied in the sense that the Respondent has exclusive possession and is able to put them to a lawful use. Items belonging to him are in the flats.
- For at least part of the period for which service charges are being demanded, the Respondent was in occupation, carrying out works.
- If every time a flat was unoccupied the lessee could avoid service charges the service charge machinery would become unworkable.
- The Respondent benefits from the building insurance, fire alarm system and general maintenance. It makes no difference that he may not currently benefit from the maintenance of the common parts (a service charge item) because the "Common Parts" are defined in the leases as "parts …used or enjoyed in common (whether or not the Tenant uses them". The RICS Foreword makes it clear that the lease takes precedence.
- In any event, any difference in the extent of benefit cannot easily be quantified in monetary terms.
- The Respondent's measurements are unsupported by any drawings or surveyors measurements, and it cannot be taken as fact that his flats are smaller than the other flats in the building, only one of which is a two bedroom flat.
- Even if the Respondent is right on the figures, and his flats each comprise only 10.5% of the floor space as against the 12.5% charge, the difference is insignificant in terms of the difference it would make to the service charge.
- The cost of measuring the floor space accurately and/or attempting to precisely quantify the actual benefit that each flat derives from the services would be disproportionate.
- The fact that the other six leases have not been varied to change their proportion to 1/8th is unfortunate but does not preclude the Tribunal finding that an equal apportionment between all eight flats is the fair and reasonable method.
- The leases reserve service charges as rent, and the covenant at paragraph 1 of the Second Schedule obliges the tenant "To pay the said rents without any deduction…". The dispute over whether or not the Applicants were unreasonably preventing completion of the conversion works cannot be used as a excuse for non-payment of the service charges, and is irrelevant to the issues before the Tribunal

38. In support of the contention that equal apportionment was the fair and reasonable method that the Tribunal should select, Dr Pratt said:

- Equal apportionment is a recognised method of apportioning service charges.
- The property is solely residential, and not a mixed use development in which there is an obvious case for apportioning according to floor area or category of tenant.
- It is a small development with modest overheads. Introducing complexity and cost into the apportionment exercise is disproportionate.

Determination

39. Put briefly, the Tribunal accepts all of the Applicant's submissions as obviously correct. The Respondent clearly either benefits from the services provided or is required by the lease to pay regardless of benefit. The loft void flats may, when completed, have a smaller useable floor area than some or all of the other flats in the building, but with the exception of the single two-bedroom flat, it is likely that their physical occupation will place the same burden on the building and its services as the other flats. In a development of just eight small flats, simplicity and certainty is desirable. Application should have been made to vary the other leases in the property once the loft void leases were granted, but this omission does not in our view mean that the Tribunal cannot find that equal apportionment is the fair and reasonable method to be used in respect of the Respondent's leases. Furthermore, the dispute over the completion of the works is irrelevant. The only way the Tribunal might have had jurisdiction to consider this would be if a claim for damages had been made as set-off to the claim for service charges. No such set-off has been put forward, and in any event it is preferable that this aspect of the dispute is considered in the county court proceedings.

40. Accordingly the Tribunal finds that an equal split of the service charges between the eight flats is the preferred fair and reasonable method of apportionment.

Whether all the service charges are due and payable, particularly those for cleaning costs and works carried out personally by one of the Applicants

41. The Respondent objected to paying the cleaning charges and to other charges made by one of the Applicants, Chris Dyer, for his own time carrying out various maintenance jobs. He said that when he was working in the flats, he did not observe any cleaning being done, and that the leases did not permit Mr Dyer to charge for his own time. Moreover, handwritten notes on some of Mr Dyer's invoices show that instead of actually being paid, credits totalling the same value were made to the service charge accounts of the four flats owned by the Dyers and their associates.

42. The Applicant said that Mr Dyer was entitled to charge for his time. The Fourth Schedule specifically provides that the recoverable costs include "all reasonable and proper costs and fees in taking any steps necessary to preserve or improve the Building" and Mr Dyer's invoices fell into this category. Even without this clause, if the works were required, it didn't matter who carried them out. If Mr Dyer chose to spread the value of his services amongst others, that was a matter for him.

Determination

43. This issue strays into consideration of the actual expenditure, rather than consideration of the on account demands. The Tribunal was not asked to determine actual expenditure by reference to the end of year accounts. Therefore, it is probably unnecessary to deal with this point at all. However, if actual expenditure was being determined, the Tribunal would not disallow these invoices on the grounds argued. There is no cogent evidence that Mr Dyer did not carry out the works, which are all supported by a detailed invoice for sums that do not appear unreasonable. Nor is there anything in the lease which prohibits a lessor from providing services that would otherwise be carried out by a third party. The lessee is protected from unreasonable charges by sections 27A and 19 of the Act.

Whether any liability to pay the service charges is eliminated by the refusal of the Applicants to permit the Respondent to complete the conversion works

44. This issue has already been dealt with at paragraph 39 above.

Whether the demands on account were for an unreasonable amount

45. Although this was said to be an issue by Mr Noble at the outset of the hearing, he did not pursue it through evidence or submissions, but nor did he expressly abandon it. The point originally made in the Defence was that as the end of year account for 2018/19 showed a final credit balance of £16,406.94, and the expenditure in the accounts did not include provision for future expenditure as permitted by the leases, it was unreasonable to make further demands. It might also have been said (although it wasn't) that the end of year account for 2017/18 showed a final credit balance of £16,429.18.

46. The Reply asserted that the surplus funds had all been utilised for repairing the roof, and this was supported by the end of year accounts for 2019/20.

47. The shortcomings of the end of year accounts have already been mentioned (see paragraph 31 above). They should have included the allocation for the anticipated roof works as an item of expenditure in the appropriate year, in which case the credit balances would have disappeared. It is clear that the monies held were in fact used to repair the roof, and that these repairs had been planned for some years. Accordingly, the Tribunal finds that the demands were in a reasonable amount, based on the level of ongoing regular costs from year to year as set out in the accounts.

Application under section 20C of the Act

48. Mr Noble requested such an order in respect of the costs in the Tribunal for the benefit of the Respondent, on the basis that the Tribunal had decided that no service charges were payable i.e. he had been the successful party. Dr Pratt resisted such an order, saying that the application had been pursued for the benefit of the leaseholders as a whole.

49. In deciding whether to make an order under section 20C a Tribunal must consider what is just and equitable in the circumstances. The circumstances include the conduct of the parties and the outcome of the proceedings. The Tribunal determines that, because of its decision that no service charges are presently recoverable, it is just and equitable for an order to be made that to such extent as they may otherwise be recoverable, the Applicants' costs in connection with the Tribunal proceedings are not to be regarded as relevant costs to be taken into account in determining the amount of any future service charge payable by the Respondent.

50. That concludes the Tribunal's consideration of the case.

The county court issues

51. At the hearing on 29 January 2020 the court entered judgment in respect of the admitted ground rent arrears. The costs of that hearing were reserved.

52. Paragraph 4 of the Second Schedule to the lease obliges the tenant "To reimburse the Lessor on demand all reasonable and proper fees charges costs and expenses incurred or suffered by the Lessor arising out of or in connection with or incidental to … any breach of any of the covenants on the part of the Tenant …".

52. The Applicants sought a costs order in their favour pursuant to this contractual clause (so the normal restrictions on recovery of costs in a small claims case do not apply) for the costs incurred in the county court up to and including the hearing on 29 January 2020. It is said that these costs were incurred in connection with the breach of the covenant to pay ground rent.

53. Under CPR 44.5 where the court is assessing costs payable under the terms of a contract, the costs payable under those terms are, unless the contract expressly provides otherwise, to be presumed to be costs which-
(a) have been reasonably incurred; and
(b) are reasonable in amount, and the court will assess them accordingly.

54. The Applicant has been successful in respect of the claim for ground rent and is therefore entitled to recover its reasonable costs in respect of that claim, there being no reason to exercise the discretion, as explained in CPR44.2, to depart from the usual principle that costs follow the event, particularly where there is a contractual entitlement. The costs must be assessed in accordance with CPR 44.5.

55. The Applicant provided a statement of costs covering the entire court and tribunal proceedings. The court must extrapolate from that statement the reasonable costs attributable to the rent arrears claim. Submissions were made by each side at the conclusion of the hearing and these have been taken into account. The court has also taken into consideration the factors set out at CPR 44.4(3). The claim for rent arrears was straightforward and for a modest sum of

£700.00.

56. There are aspects of the costs claimed which the court finds are unreasonable. It was wholly unnecessary and unreasonable to file two claims, one in respect of each flat. The claims involved the same parties, and were identical save as to the flat number. Further, although the costs of the attendance of Ms Brown at the hearing of 29 January 2020 are claimed (in the sum of £1080.00 + VAT plus accommodation and travel) these costs were not reasonably incurred in relation to the ground rent claim, which had been admitted. The evidence Ms Brown prepared for that hearing was also exclusively concerned with the service charges claim, so no costs in connection with that can be recovered.

57. Undertaking a summary assessment, the court finds as follows:

- Ms Brown's Grade D hourly rate of £120 + VAT is reasonable;
- The fixed fee agreed between the Applicants and their solicitors for a letter before action (£150.00 + VAT) and issuing a claim (£500.00 + VAT) will be allowed but only in respect of one claim;
- A further 2 hours will be allowed for other work on documents – considering the Defences, preparing papers for the court and advocate on 29 January 2020;
- A total of 3 hours will be allowed for attendance on the Applicants, the Respondent and the court;
- The advocate's fee of £480.00 (no VAT) for the hearing on 29 January 2020 is allowed;
- Only one court fee should have been incurred, but it is unclear that this would have reduced the total court fee paid, so 2 x £205.00 is allowed;
- A Land Registry disbursement of £21.00 is allowed.

58. Thus costs are assessed as:

- Solicitors profit costs £1250.00
- VAT thereon £250.00
- Disbursements £911.00
  Total = £2411.00.

59. The Respondent is required to pay the Applicants' costs in the sum of £2411.00 by 4pm on 6 July 2021.

60. No other orders were sought by either party.

ANNEX - RIGHTS OF APPEAL

Appealing against the tribunal's decisions

1. A written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application for permission to appeal must arrive at the Regional office within 28 days after the date this decision is sent to the parties.

3. If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.

4. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers

5. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.

Appealing against a reserved judgment made by the Judge in his/her capacity as a Judge of the County Court

1. A written application for permission must be made to the court at the Regional Tribunal office which has been dealing with the case.

2. The date that the judgment is sent to the parties is the hand-down date.

3. From the date when the judgment is sent to the parties (the hand-down date), the consideration of any application for permission to appeal is hereby adjourned for 28 days.

4. The application for permission to appeal must arrive at the Regional office within 28 days after the date this decision is sent to the parties;

5. The application for permission to appeal must state the grounds of appeal, and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers

6. If an application is made for permission to appeal and that application is refused, and a party wants to pursue an appeal, then the time to do so will be extended and that party must file an Appellant's Notice at the xx office within 21 days after the date the refusal of permission decision is sent to the parties.

7. Any application to stay the effect of the order must be made at the same time

as the application for permission to appeal.

Appealing against the decisions of the tribunal and the decisions of the Judge in his/her capacity as a Judge of the County Court

8. In this case, both the above routes should be followed.