11546

FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	CHI/45UH/LSC/2015/0081
Property	:	Flat 14, Knightsbridge House, Marine Parade, Worthing BN11 3PP
Applicant	:	BC Apartments (Worthing) Ltd
Representative	:	Martin Ross, solicitor
Respondent	:	Florence Plummer (deceased)
Representative	:	Paul Daniels, as executor
Type of Application	:	Liability to pay service charges and/or administration charges
Tribunal Member(s)	:	Judge M.A. Loveday
Date of Directions	:	24 March 2016

DECISION

Introduction

1. These are two linked applications seeking (i) a determination of liability to pay service charges under s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") and (ii) a determination of liability to pay administration charges under Sch.11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act"). The matter relates to a lease of Flat 14 Knightsbridge House, Marine Parade, Worthing BN11 3PP ("the Lease").

2. The Applicant is the registered proprietor of the freehold. The Respondent is the Executor of the estate of the registered proprietor of the Lease, Ms Florence Plummer.

3. The applications are both dated 19 November 2015. By the s.27A application, the Applicant seeks payment of the service charges set out in Appendix A to this determination. The application under Sch.11 did not specify the administration charges claimed, but these appear in a schedule in the Tribunal bundle, and they are again set out in Appendix A to this determination.

4. On 10 December 2015, directions were given that the applications should be determined on the basis of written representations without an oral hearing. The Respondent has not participated in the proceedings for reasons which are explained below.

5. In addition to the usual questions of liability to pay under s.27A and Sch.11, it will be necessary for the Tribunal to deal with the question as to whether the circumstances of the Respondent and the deceased affect his liability to pay.

The Lease

6. The material terms of the Lease (as varied) appear in Appendix B to this determination. In essence, the lessee is required to pay a service charge representing an apportionment (6/111) of the landlord's relevant costs in each year. There are provisions for an interim charge (clause 5(b)(ii) of the Lease) and for a balancing charge to be paid if the apportionment of the Applicant's relevant costs is less than the interim charges (clause 5(b)(iii) of the Lease). There are also provisions for payment of certain legal costs at clause 3(d) of the Lease.

The facts

7. The facts appear in an undated witness statement of Mr Peter Ballam and a statement of Mr Bill Stevens dated 3 February 2016. The Tribunal

has also had regard to the comprehensive documentation in the Tribunal bundle and the Applicant's Statements of Case.

8. Flat 14 is on the fourth floor of a modern block of flats overlooking the seafront at Worthing. By a sub-underlease dated 3 July 1979 ("the Lease"), the flat was demised by Barratt Developments for a term of 94 years from 1 January 1979. The Lease was varied by a Deed of Variation dated 30 November 1984.

9. The Applicant's evidence is that in each year it prepared interim service charge demands. According to the Applicant, the interim service charges were "duly estimated by the Lessor and have been of slowly increasing amounts": see Applicant's undated "Legal Submissions" document at p.30 of the Tribunal bundle. Each demand was accompanied by a summary of rights and obligations, and copies of the demands for the 2010-15 service charge years are included in the Tribunal bundle. The demands were sent to the Respondent at the premises and to a residential address at 75 Worcester Road, Cowley, Greater London UB8 3TX.

10. At the end of each service charge year, annual accounts were prepared and sent to the Respondent at the same addresses. Once again, each demand was accompanied by a summary of rights and obligations and copies are included in the Tribunal bundle for the 2008-14 service charge years. The service charge accounts were signed by Messrs. Carpenter Box, Chartered accountants. The Applicant then calculated the balancing charge by applying the apportionment of 6/111 in the Lease.

11. In the case of this particular flat, the sums demanded by way of interim, charges, and the proportion of the Applicant's relevant costs set out in the service charge accounts was as follows:

	Interim charges/ major works	Balancing charges	Surplus/ (deficit)
2010	£1,440.00	£1,667.67	(£227.67)
2011	£1,460.00	£2,215.04[1]	(£755.04)
2012	£1,782.00	£1,718.15	£63.85
2013	£2,104.00	£3,792.28	(£1,688.28)
2014	£2,044.00	£2,145.06	(£101.06)
2015	£2,184.00		

It should be noted that the demands for 2012-15 included separate items for an "interim service charge" and a "contribution to future major works".

[1] The Applicant's legal submissions appear to give an incorrect figure for this.

12. In fact, the Applicant did not demand the excess of the balancing charges over the interim charge from the Respondent in the 2010, 2011, 2013 and 2014 service charge years. The Applicant has indicated that it is limiting its claim in these years to the interim charges alone. As to the 2012 service charge year, the Applicant gave credit for the excess that should have been allowed. It has therefore limited its claim to the balancing charge for that year (£1,718.15).

13. As to the administration charges, these were separately demanded and covered a variety of costs under the Lease. Once again, the demands were accompanied by a summary of rights and obligations and were in proper form. Copies of the demands were provided to the Tribunal.

14. During the relevant period the only major works carried out related to concrete repairs and associated works. The Applicant served a Notice of Intention to carry out works on 14 June 2012 and a paragraph (b) statement/'statement of estimates on 21 September 2013. Again, copies were provided to the Tribunal.

15. In February 2010, the Respondent paid his service charges by a cheque which was dishonoured. Arrears quickly accumulated and no further payments were received after 16 November 2010. The Applicant brought a claim for payment of arrears in the Northampton County Court under claim no.1QZ15892. On 3 November 2012, a default judgment was obtained for £1,679.50. A schedule at p.244A of the Tribunal bundle suggests the claim related to invoice nos.74, 87, 105, 125 and 131 – which appear in Appendix A to this determination. A Final charging order securing the debt was made by Worthing County Court on 21 June 2013, and this is registered against the leasehold title for the premises.

16. It is also necessary to deal with the position of the lessee. Ms Plummer was registered as proprietor of the leasehold interest on 28 May 1997. She died on 25 November 2005 and probate was granted to the Respondent on 6 March 200. There is a suggestion in correspondence that Ms Plummer's will also appointed Mr Anthony Daniels (the Respondent's brother) as joint executor: see letter from Martin Ross solicitors dated 10 July 2015. However, the probate refers to the Respondent alone. On 23 February 2013, Mr Anthony Daniels emailed the Applicant's solicitors to say the family were trying to arrange a Power of Attorney, but this does not seem to have materialised: see letter form Court of Protection dated 9 July 2015. On or about 17 February 2016, Mr Anthony Daniels wrote to the Applicants' solicitors explaining the position with his brother. The Respondent had not lived at the premises for some 10 years. He had suffered a stroke and had lived either in the stroke unit or at a local hospice for more than 5 years. He therefore had no "correspondence address" and no

documents could be forwarded to him. It was apparently accepted that the Respondent was incapable of acting as executor, but there had been "medical issues" which prevented the Court of Protection from making an order substituting him as executor. There is a further email from Mr Anthony Daniels dated 17 February 2016 stating that the Respondent had "no short term memory" and that he was "confused and disorientated". However, the prognosis was that his incapacity was not permanent.

The issues

17. When a s.27A application is made, a Tribunal will typically consider one of more of the following matters:
    a. Whether the lessor may recover the service charges under the terms of the lease.
    b. Whether the relevant costs are "reasonably incurred" and/or interim service charges are "reasonable" under s.19 of the 1985 Act.
    c. Whether there is any other statutory bar to recovery - such as the requirements of s.20 of 1985 Act relating to major works.

18. In this case, the Applicant contends that the service charges are recoverable under the terms of the Lease. It further contends that the charges are reasonable under s.19(2) of the 1985 Act. It submits that it has met the requirements of s.20 of the 1985 Act (major works), s.20B of the 1985 Act ("the 18 month rule"), s.21B of the 1985 Act (summary of rights and obligations) and ss.47 and 48 of the Landlord and Tenant Act 1987 (addresses on demands).

19. When a Sch.11 application is made, a Tribunal will typically consider one of more of the following:
    a. Whether the lessor may recover the charge under the terms of the lease.
    b. Whether a variable administration charge is reasonable under para 2 of Sch.11 to the 2002 Act.
    c. Whether there is any other statutory bar to recovery - such as the requirement in Sch.11 para 4 for a demand for payment to be in proper form.

20. In this case, the Applicant contends that the administration charges are recoverable under the terms of the Lease. It further contends that the charges are reasonable under para 2 of Sch.11 to the 2002 Act. Finally, it submits that it has met the requirements of para 4 of Sch.11 to the 2002 Act (summary of rights and obligations).

Service charges

21. Contractual liability. The interpretation of service charge provisions involves no special rules of construction. The familiar principles summarised by Lord Hoffmann in *Investors Compensation Scheme v West Bromwich Building Society* [1998] 1 WLR 896, and those set out by Lord Neuberger in the most recent decision of the Supreme Court in *Arnold v Britton* [2015] UKSC 362; [2015] 2 W.L.R. 1593) therefore apply.

22. In this case, the service charges are of two kinds, namely interim charges and a contribution to reserves.

23. The Tribunal is satisfied that the interim charges in each case were calculated in accordance with the terms of the Lease. Clause 5(b)(ii) of the Lease is drawn in wide terms and does not impose any onerous obligation on the lessor. All that is required is for the lessor to "estimate" the lessee's contribution towards the costs expenses and outgoings and matters in Sch.5 to the Lease. Although the Applicant has not provided the underlying workings that support the estimation process in each service charge year, there is a reasonable correlation between the interim charges estimated and the actual lessor's relevant costs incurred in each year: see Applicant's Legal Submissions at p.30 of the Tribunal bundle. There is therefore nothing to contradict the Applicant's express case that the charges were "duly estimated" every year. The same applies to the sums demanded for "future major works", which may properly form part of the interim service charge: see para 5 of Pt.I of Sch.5 to the Lease. Once the estimate of the interim charge is made, the lessee is liable to make payment by two equal instalments on 1 January and 1 July in each year. The demands for payment show the interim service charges followed this pattern in each year.

24. The Applicant further submits that it complied with the obligations in the Lease to prepare annual accounts etc. at the end of the year. That may of course be relevant to the question of whether any balancing service charges are recoverable under the terms of the Lease. However, the Applicant has expressly limited its claim to payment of interim service charges, and the preparation of accounts plays no part in the contractual machinery for ascertaining such charges. The Tribunal need not therefore consider whether the requirements for the annual accounts etc. were properly complied with.

25. Reasonableness. As explained above, the claim is expressly limited to interim service charges. The test is therefore under s.19(2) of the 1985 Act:

> "(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."

26. The Tribunal is satisfied the amount of the interim charges was reasonable. The figures given in para 11 above show that in all but one year the interim service charges were less than the balancing charges in the previous service charge year. This suggests the Applicant's annual estimation process did not produce excessive interim service charges. Moreover, in all but one year the interim charges were less than the balancing charges for that year. There is nothing else to suggest the amount of the interim charges was excessive.

27. Statutory bars to recovery. The statutory provisions mentioned by the Applicant can be dealt with briefly:
    a. Major works. Section 20 of the 1985 Act does not apply to interim charges. This is because an interim service charge is not a "relevant contribution" to the cost of qualifying works within the meaning of s.20(2). However, the Tribunal notes that the Applicant has produced copies of notices under Sch.4 to the Service Charges (Consultation Requirements)(England) Regulations 2003.
    b. The 18 month rule. Section 20B of the 1985 Act also does not ordinarily apply to interim service charges: *Paddington Walk v Peabody* [2010] L&TR 6.
    c. Summary of Rights and Obligations. The Tribunal has considered each of the demands for payment and finds they satisfy s.21B of the 1985 Act.
    d. Address for service. The Tribunal has considered each of the demands and finds that they notify the Respondent of an address for service under s.48 of the Landlord and Tenant Act 1987

28. There is one statutory provision not directly referred to by the Applicant, which nevertheless goes to the jurisdiction of the Tribunal. The Tribunal's jurisdiction under s.27A of the 1985 Act is restricted by s.27A(4), under which no application may be made "in respect of a matter which- ... (c) has been the subject of determination by a court ...". This provision is relevant to three interim service charges due on 1 July 2010 (£720), 1 January 2011 (£730) and 1 July 2011 (£730) that are included in the present s.27A application. The three payments were the subject of the default judgment made by the court on 3 November 2012.

29. The question arises whether the default judgment was a "determination by a court" for the purposes of s.27A(4). As already stated, the Applicant does not deal with the argument in terms. However, the

Applicant does deal with a similar point in the "Applicant's Statement" at p.160 of the Tribunal Bundle. In that Statement, the Applicant raises the question whether the default judgment engaged s.168 of 2002 Act, and suggests the point is "unclear". In any event, since the issue goes to the Tribunal's jurisdiction, it is necessary to deal with it.

30. The Tribunal is not aware of any express authority in relation to whether a default judgment is a "determination by a court" under s.27A(4). However, it considers that a default judgment does amount to such a "determination". This is for the following reasons:
    a. There is nothing in the wording of s.27A which expressly or by necessary implication removes or detracts from the right of a landlord in accordance with the usual rules of court procedure to seek a default judgment.
    b. There is abundant authority that a default judgment is treated as a binding determination on the parties to the judgment. This position was reviewed and supported by HHJ Dight in the reported County Court case of *Church Commissioners for England v Koyale Enterprises* [2012] L. & T.R. 24, at paras 19-23. The case concerned the not dissimilar provisions of s.81 of the Housing Act 1996.
    c. Indeed, the position is even clearer with s.27A than with s.81 of the 1996 Act. Section 27A(4) refers only to a "determination by a court". By contrast, s.81 refers to the position where "It is finally determined by ... a court ... that the amount of the service charge ... is payable". There is no suggestion the Tribunal only has jurisdiction where a "final" determination is made by the court.
    d. There are sound public policy reasons for avoiding duplication of court proceedings etc. These principles also underpin abuse of process arguments and *res judicata*. Those principles assist with the interpretation of the statute and suggest that a Tribunal should not determine liability for a service charge which has already been the subject of a judgment of the court.

31. It follows that the Tribunal has no jurisdiction to deal with the 2010 and 2011 interim service charges.

Administration charges

32. Contractual liability. In this case, the administration charges in Appendix A are of 7 kinds:
    a. Bank charges (£23.30).
    b. Application to the Court and court fee (£176).
    c. Land Registry fees (£24).
    d. Solicitors' fees (£2,757.80).
    e. Court fee (£100).
    f. Special delivery fee (£12.80).
    g. Additional management fee (£90).

The administration charge demands are included in the Tribunal bundle.

33. The obligation in clause 3(d) of the Lease is to pay "all costs charges and expenses (including solicitors' costs and surveyor's fees) incurred by the Lessor for the purpose of or incidental to the preparation and service of a notice under section 146 of the Law of Property Act 1925". The Applicant relies on the Upper Tribunal case of *Freeholders of 69 Marina St Leonards on Sea v Oram* [2015] EWCA Civ 1258 at p.274-5. It contends that the above items all related to claims for unpaid service charges and that the Respondent was well aware from an early stage that forfeiture was being considered by the Applicant. It therefore argues that the above charges fell within clause 3(d) of the Lease.

34. It should be noted that the indemnity provision in *69 Marina* related to costs etc. "incidental to the preparation and service of a notice under section 146 of the Law of Property Act 1925 or in contemplation of proceedings under section 146..."

35. The decision in *69 Marina* was considered and explained by the Deputy President of the Upper Tribunal in the more recent case *Barrett v Robinson* [2014] UKUT 0322 (LC). In that case, a landlord sought to claim legal costs of £6,250 in relation to an LVT dispute about insurance rent of £324. It relied on an indemnity for costs provision which was not dissimilar to the one in this case:

> "4(14) To pay all reasonable costs charges and expenses (including solicitors' costs and surveyors' fees) incurred by the Lessor in or in contemplation of any proceedings or the preparation of any notice under section 146 of the Law of Property Act 1925 notwithstanding forfeiture is avoided otherwise than by relief granted by the Court."

In his judgment, the Deputy President made a number of observations about the controversial nature of the judgment in *69 Marina* and went on to state as follows:

> "Clauses such as clause 4(14) are regularly resorted to for the recovery of costs incurred in proceedings before the First-tier Tribunal where that tribunal has made no order of its own for the payment of such costs. The costs claimed often substantially exceed the service charge originally in issue in the proceedings in which they were incurred. Where a First-tier Tribunal has to determine whether such costs are recoverable as an administration charge it is important that it consider carefully whether the costs come within the language of the particular clause. If a service charge or administration charge is reserved

> as rent the decision of the Court of Appeal in 69 Marina is binding authority that a determination by the First-tier Tribunal is nonetheless a pre-condition to the service of a notice under section 146. But the decision does not require that whenever a lease includes such a clause the landlord will necessarily be entitled to recover its costs of any proceedings before the First-tier Tribunal to establish the amount of a service charge or administration charge. It is always necessary to consider the terms of the particular indemnity covenant and whether any relevant contemplation or anticipation existed in fact in the circumstances of an individual case. In this case it did not, so clause 4(14) provided no route to recovery by the respondent."

The UTLC went on to consider the purpose of indemnity for costs clauses in para 51 of its judgment.

36. Adopting this approach, the Tribunal notes that clause 3(d) of the Lease refers to a very narrow range of matters for which the lessee must provide an indemnity. The provision does not extend to expenditure "in contemplation of proceedings under section 146..." (as in *69 Marina*) or to expenditure "in or in contemplation of any proceedings" relating to forfeiture (as in *Barratt*). The indemnity in clause 3(d) is instead tied very closely to the s.146 notice itself, namely costs etc. "incurred by the Lessor for the purpose of or incidental to the preparation and service of" the notice.

37. The majority of the administration charges in this matter relate to (a) solicitors' legal costs, court fees etc. concerning the claim which resulted in the default judgment (b) the charge which flowed from that (c) legal costs relating to later attempts to recover service charges. These costs were all incurred before August 2014. In this instance, there is no suggestion a s.146 notice has yet been served.

38. The Tribunal considers such historic costs cannot possibly be described as being "incidental to the preparation" of any s.146 notice. They also cannot be described as being "incidental to ... service of" any s.146 notice. "Incidental to" are words suggesting an intimate connection with the drafting and giving of a notice. These provisions cannot possibly apply where a notice has not yet been drafted or given.

39. The only issue is therefore whether the legal costs could be said to have been "incurred ... for the purpose of ... the preparation and service of" a s.146 notice. Having looked at the demands, the Tribunal considers these costs were not incurred "for the purpose of" any notice. This is for three reasons:

a. Firstly, the costs are remote in time from any s.146 notice. Even if a s.146 notice is given today, the costs will have been incurred at least 4.5 years after the first of the relevant costs were incurred (the application to the court in August 2011) and some 1.5 years after the last of those costs were incurred (solicitors fees 19 August 2014).
b. Secondly, even if the costs were incurred to further the Applicant's general process leading to forfeit the Lease within the restrictions imposed by s.81 of the Housing Act, they were not incurred for the purpose of the notice itself.
c. Thirdly, none of the expenditure was limited to the forfeiture option. It all involved other potential 'remedies' such as money judgments and a charge over the leasehold interest.

40. Apart from legal and court costs etc., there are a number of other items claimed, including a bank charge, special delivery fee and additional management fees. The Tribunal considers such costs plainly do not fall with clause 3(d) of the Lease.

41. It follows that the Tribunal is satisfied none of the administration charges are contractually recoverable.

42. Reasonableness. Paragraph 2 of Schedule 11 to the 2002 Act provides that "A variable administration charge is payable only to the extent that the amount of the charge is reasonable".

43. Although in the light of the conclusions above, the issue is otiose, the Tribunal considers the administration charges are "reasonable". It reaches this conclusion by looking at these costs in the round rather than a detailed consideration of each item of expenditure. A sum of £3,184 incurred for a court claim, charging order and pursuing arrears of service charges over a long period is not in the Tribunal's view excessive.

44. Statutory bars to recovery. The Tribunal has considered each of the demands and finds the demands for payment satisfy para 4 of Sch.11 to the 2002 Act. The Tribunal has considers they notify the Respondent of an address for service under s.48 of the Landlord and Tenant Act 1987.

45. The Tribunal returns to the question raised by the Applicant as to whether the default judgment was a "determination by a court" for the purposes of s.168 of the 2002 Act (see above). The Tribunal considers s.168 is strictly speaking irrelevant to its determination. However, para 5 of Sch.11 contains provisions in similar form to s.27A(4) of the 1985 Act. For the same reason given above, the Tribunal considers it does not have jurisdiction to determine liability for any administration

charges which formed part of the default judgement of the court. According to the Applicant, the default judgment included the claim for Bank charges of £23.30. If (contrary to the above) the administration charges are payable, the Tribunal would find it had no jurisdiction to determine liability for the bank charges of £23.30.

The Respondent

46. The circumstances of this matter are somewhat unusual, in that the Respondent is an executor and his family state he is incapable of managing his own affairs. The Tribunal should therefore say something about the Respondent's liability to pay (if any). Indeed, one of the matters specifically mentioned in both s.27A of the 1985 Act and Sch.11 para 5(1) is that the Tribunal may identify "the person by whom [the relevant charges] are "payable".

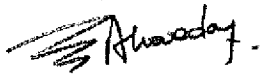
47. There is little doubt that as executor, the Respondent became liable to pay service charges and administration charges to the Applicant: *Woodfall* at 16.232.

48. Where a person is a patient under the Court of Protection, the judge has power to give directions or authority for certain matters relating to property interests: Mental Health Act 1983 s.96. Moreover, if a person takes advantage of another person's incapacity in contractual dealings, the validity of those acts may be challenged as an equitable fraud: *Woodfall* at 2.127. There is no other specific restriction on a sick person's control of property, and incapacity generally does not affect a persons' obligations to comply with any existing contractual undertaking.

49. It follows that unless and until the Court of Protection intervenes, the Respondent is responsible for complying with the lessee's covenants in the Lease. It follows that the Respondent is liable to pay the sums identified above.

Conclusion

50. The Tribunal concludes the Respondent is liable to pay the Applicant interim service charges of £5,586.40.



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Judge MA Loveday
24 March 2016

Appeals

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

APPENDIX A

1. Service Charges

Invoice	Demanded	Due	Item	Sum	Allowed	Not allowed
87	10.06.10	01.07.10	Interim service charge	£720.00		£720.00
105	31.12.10	01.01.11	Interim service charge	£730.00		£730.00
125	01.06.11	01.07.11	Interim service charge	£730.00		£730.00
145	29.11.11	01.01.12	Interim service charge	£745.00	£745.00	
168	14.06.12	01.07.12	Interim service charge	£745.00	£745.00	
168	14.06.12	01.07.12	Future major works	£292.00	£292.00	
188	12.12.12	01.01.13	Interim service charge	£760.00	£760.00	
188	12.12.12	01.01.13	Future major works	£292.00	£292.00	
212	06.06.13	01.07.13	Interim service charge	£760.00	£760.00	
212	06.06.13	01.07.13	Future major works	£292.00	£292.00	
233	10.12.13	01.01.14	Interim service charge	£780.00	£780.00	
233	10.12.13	01.01.14	Future major works	£292.00	£292.00	
257	06.06.14	01.07.14	Interim service charge	£780.00	£780.00	
257	06.06.14	01.07.14	Future major works	£292.00	£292.00	
275	04.12.14	01.01.15	Interim service charge	£800.00	£800.00	
275	04.12.14	01.01.15	Future major works	£292.00	£292.00	
299	17.06.15	01.07.15	Interim service charge	£800.00	£800.00	
299	17.06.15	01.07.15	Future major works	£292.00	£292.00	
				£7,334.00	£5,154.00	£2,180.00

B. Admin Charges

Invoice	Demanded	Due	Item	Sum	Allowed	Not allowed
74	17.02.10		Bank charge - returned cheque	£23.50		£23.50
131	30.08.11		Application to Court and Court fee	£176.00		£176.00
132	19.10.11		Land registry fees	£24.00		£24.00
154	01.03.12		Solicitors fees	£226.60		£226.60
155	29.03.12		Solicitors fees	£264.80		£264.80
196	10.07.12		Solicitors fees	£140.40		£140.40
175	04.09.12		Solicitors fees	£351.00		£351.00
197	18.01.13		Solicitors fees	£304.20		£304.20
199	19.03.13		Solicitors fees	£169.80		£169.80
218	05.07.13		Court fee	£100.00		£100.00
219	10.06.13		Solicitors fees	£267.60		£267.60
241	13.06.13		Solicitors fees	£324.00		£324.00
220	18.07.13		Solicitors fees	£378.80		£378.80
283	19.08.14		Solicitors fees	£330.60		£330.60
281	07.11.14		Special delivery fee	£12.80		£12.80
282	17.12.14		Additional management fee	£90.00		£90.00
				£3,184.10	£0.00	£3,184.10

APPENDIX B: MATERIAL LEASE TERMS

3(i) THE Lessee HEREBY COVENANTS WITH the Lessor as follows-

...

3(d) to pay all costs charges and expenses (including solicitors costs and surveyors' fees) incurred by the Lessor for the purpose of or incidental to the preparation and service of a notice under Section 146 of the Law of Property Act 1925 notwithstanding forfeiture may be avoided otherwise than by relief granted by the Court

5. The Lessee HEREBY COVENANTS with the Lessor and with the owners and Lessees of the other flats comprised in the building that the Lessee will at all times hereafter

...

(b) (i) To contribute and pay 6/111 of the costs expenses and outgoings and matters mentioned in the Fifth Schedule hereto part II thereof shall be incorporated in this Lease

(ii) the contribution under paragraph (i) of this clause for each shall be estimated by the Lessor (whose decision shall be final) as soon as practicable after the beginning of each year of the term and the Lessee shall pay the estimated contribution in two instalments on the first day of January and the first day of July in every year of the term ...

(iii) As soon as reasonably may be after the end of the year ending the 31st day of December one thousand nine hundred and eighty two and each succeeding third year when the actual amount of the said costs expenses outgoings and matters for the three year ending the 31st December 1982 or such succeeding third year (as the case may be) has been ascertained the Lessee shall forthwith pay the balance due to the Lessor or be credited in the Lessor's book with any amount overpaid

6. The Lessor HEREBY COVENANTS with the Lessee as follows:

...

(d) That the Lessor will maintain repair decorate and renew the structural parts of the building main entrance halls passages landings staircases lifts refuse shuts and other parts of the building (including pipes drains cables and wires in under or upon the building) so enjoyed or used by the Lessee in

common as aforesaid consistent with the obligations imposed upon the Lessor in the Headlease

(e) That the Lessor will so far as practicable keep cleaned reasonably lighted the passage landings lift staircases and other parts of the building so enjoyed or sued by the Lessee in common as aforesaid

(f) That (subject as aforesaid) the Lessor will so often as reasonably required decorate the exterior including the wood and ironwork of the building in such manner as it shall think fit

(g) To pay the rent and any other moneys reserved by the Head Lease ...

(h) That (if the Lessor shall in its sole discretion deem it necessary or desirable) the

Lessor will employ a Managing Agent to manage the building ...

THE FIFTH SCHEDULE above referred to costs expenses outgoings and matters in respect of which the Lessee is to contribute

PART I

(in respect of which the Lessee's contribution is 6/111)

1. The expenses of and incidental to the running and administration of the Management Company whether or not the Management Company be also the Lessor
2. The expenses incurred by the Lessors in carrying out their obligations under clause 6(b) (d) (e) (f) (g) and (h) of this Lease
3. The cost of maintaining (including any rental) communal TV aerials for the sue of the flat
4. The cost of maintain (including any rental) an entryphone for (or other similar system) for the use of the flat
5. Such sum (to be fixed annually) as shall be estimated by the Lessor (whose decision shall be final) to provide a reserve fund for items of expenditure referred to in Part I of this schedule to be or expected to be incurred at any time during the period of three years commencing with the date upon which the estimate is made
6. All rates including water rates taxes and outgoings (if any) payable in respect of any part of the building (other than those payable solely in respect of any of the flats)
7. All other expenses (if any) incurred by the Lessor in and about the

maintenance and proper and convenient management and running of the building including in particular but without prejudice to the generality of the foregoing any expenses incurred in rectifying or making good any inherent defect in the building any interest paid on any money borrowed by the Lessor to defray expenses incurred by them and specified in this Schedule and any legal or other costs bona fide incurred by the Lessor in taking or defending any proceedings (including any arbitration) arising out of any Lease of any part thereof (other than a claim for rent alone) or by any third party against the Lessor as owner or occupier of the any part of the building

8. The fees and disbursements paid to any managing agents appointed by the Lessor in respect of the building and any auditor for the purposes of this Lease

PART II

...

11. The Lessor shall be entitled to employ contractors to carry out any of its obligations under this Lease and if any repairs redecorations renewals maintenance or cleaning are carried out by the Lessor itself not being the Management Company it shall be entitled to charge as the expenses thereof its normal charge (Including profit) in respect thereof.

DEED OF VARIATION OF LEASE (30.11.1984)

...

2. The Lessor hereby covenants with Lessee as follows in addition to the covenants contained in the Principal Deed:

...

(2) to have accounts prepared of the Lessor's Management Expenses (including the expense of running the Lessor) by a certified or chartered accountant at least once in every year.