12534

FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	**CHI/00HN/LIS/2017/0020, 0021 & 0022**
Property	:	**Flats 5, 7 and 12 Knyveton House, Knyveton Road, Bournemouth BH1 3QW**
Applicant	:	**Knyveton House Management Limited**
Representative	:	**JB Leitch Limited, solicitors and Ms Elizabeth English, counsel**
Respondents	:	**(1) Mr Vivek Nayar (2) Mrs Jasbinder Nayar**
Type of Application	:	**Service charges, costs and interest**
Tribunal Members	:	**Judge D Agnew Mr P Turner-Powell FRICS**
Date and venue of	:	**28th November 2017 Poole Tribunal Centre**
Determination	:	**14th December 2017**

DETERMINATION

Summary of decision

1. The Tribunal determined:-

a) that the Respondents' application for an adjournment of the hearing would not be granted

b) that service charges of £11083 for each of the Respondents' flats demanded on account of the cost of balcony repairs payable on 29th September 2016 are reasonable and payable by the Respondents

c) that the Respondents shall pay to the Applicant the total sum of £9984.56 apportioned as to £3328.19 in respect of each set of County Court proceedings,

d) that the Respondents shall pay to the Applicant the sum of £3061.80 in interest apportioned as to ££1020.60 in respect of each set of County Court proceedings.

The Application and Background

2. The Applicant is the freehold owner of Knyveton House, 2 Knyveton Road, Bournemouth BH1 3QW ("the Property"). The Respondent, Mr Nayar, is the lessee of Flat 7 at the Property and the respondent, Mrs Nayar, is the lessee of Flats 5 and 12 at the Property.

3. On or about the 18th January 2017 the Applicant issued three sets of proceedings in Liverpool County Court, one for each Flat, seeking a declaration pursuant to section 81 of the Housing Act 1996 that service charges of £11083 were due and payable in respect of each of the three Flats by way of on-account charges for balcony repairs to the Property. The proceedings further sought a money judgment for the said service charges together with interest thereon and costs. The claim numbers in respect of Mrs Nayar are D30LV033 and D30LV032 and against Mr Nayar, D30LV034.

4. By an order dated 4th April 2017 District Judge Sykes in Liverpool County Court stayed those proceedings and transferred the question of the liability to pay and the reasonableness of the service charges to this Tribunal.

5. On 18th July 2017 the Tribunal held a Case Management hearing by telephone which was attended by counsel for the Applicant and the Respondents in person (Mr Nayar appearing by way of Skype from India). As a result all parties agreed that the Tribunal should seek the consent of the District Judge for the Tribunal to determine not only the payability and reasonableness of the service charge but also the claim for interest and costs in order to save those matters having to be referred back to the County Court for adjudication. This jurisdiction would be exercised under the Judicial Deployment project, Tribunal Judges being deemed to be judges of the County Court under the County Courts Act 1984 as amended. An order allocating the cases to the small claims track and consenting to the Tribunal Judge determining the claims for interest and costs was duly made by District Judge Sykes in Liverpool County Court on 4th September 2017.

6. Directions were issued by the Tribunal requiring the Respondents to serve statements of case and providing for the Applicant to be able to reply thereto. An application was received from Mrs Nayar requesting an extension of time as Mr Nayar had been detained in India. This application was refused on the ground that no indication had been given as to how long Mr Nayar might be detained in India or any explanation given as to why this would render him unable to serve a statement of case either on his own account (he having participated in the telephone case Management Hearing by Skype) or with the assistance of Mrs Nayar or a representative. In due course a statement of case was duly served by Mrs Nayar on behalf of herself and Mr Nayar. The Applicant responded thereto and hearing bundles were supplied to the Tribunal.

7. On 10th November 2017 the case was listed for a hearing following an Inspection of the Property on 28th November 2017. At 4.45 pm on the afternoon before the hearing Mr Nayar sent an email to the Tribunal office requesting an adjournment of the hearing the following day. He had no objection to the Inspection going ahead but he was still detained in India and was unable to attend the hearing but wished to do so. He said that Mrs Nayer was unable to understand the proceedings as he was the one who attended to such matters. He said that there was a hearing due to take place in India on 29th November 2017 which, he anticipated, would resolve the problem of him being detained there. The British High Commission was said to be aware of his situation. This email was forwarded to the Tribunal hearing the case first thing on 28th November 2017 so that they were aware of the situation as they were travelling to the Inspection.

The Inspection

8. Knyveton House is a 1930's purpose built block of 12 flats situated in a desirable suburb of Bournemouth close to the town centre and beach. The accommodation is ranged over three storeys. The external elevations are cement rendered under a recently recovered flat roof. The windows are of upvc and double glazed. The render to the front and side elevations of the building appears to be in reasonable condition and decorative order. The scene at the rear of the building is, however, in complete and shocking contrast. Here, the rusting and perishing of the downspouts and rainwater goods generally, is very well advanced. More seriously, the concrete stairs to the upper floors is supported solely by acro props. The concrete balconies which run along the rear of the building and serve the flats at first floor level have broken away from the structure of the building. The steel re-inforcing rods have become exposed and are rusted. The stairs to the second floor feel unsecure.

9. There is a small garden to the front of the building with a tarmac driveway to the rear where there is room for a few vehicles to park. The driveway leads to a number of attached garages which, the Tribunal was informed, do not form part of the landlord's title. Unfortunately, these garages are in a state of disrepair and constitute a further eyesore at the rear of the property. The garages, however, form no part of this case.

The hearing

10. The hearing was attended by counsel for the Applicant, Ms English, Mr Malcolm Davis from the Managing Agents, Asset Property Management Limited, and for part of the hearing by Mr Spendley, a Director of the Applicant company. The Chairman explained that for the determination regarding the service charge the Tribunal would consist of himself (Judge D. Agnew) and Mr P Turner-Powell, who is a Chartered Surveyor and a valuer member of the Tribunal. For the County Court element of the proceedings Judge Agnew would be sitting as a County Court Judge and Mr Turner-Powell as an assessor appointed by Judge Agnew.

The Application to Adjourn

11. The first matter for the Tribunal to decide at the start of the hearing was whether or not to grant the Respondents' request for an adjournment. Counsel for the Applicant opposed the application saying that it had been made very late in the day and that the Respondent's opposition to the case was set out fully in their joint statement of case and was of a technical nature which was not likely to be assisted by oral argument in addition.

12. The Tribunal decided not to grant the Respondents' application for an adjournment for the following reasons. First, the application was made at the eleventh hour when it was too late to avoid both the Applicant's representatives and the Tribunal from attending the hearing. Mr Nayer must have known in advance that he was unlikely to be able to attend the hearing but it was not until the very last minute that he notified the Tribunal that this was so. Further, although he informed the Tribunal that there is some sort of hearing that was due to take place on 29th November 2017, the detail as to his reason for his predicament, the nature of the hearing on the 29th November and the likelihood of him being able to attend a hearing in Bournemouth in the near future were all absent from his application for an adjournment. The Respondents had put their case fully to the Tribunal in writing and the case did not depend upon oral evidence. The first indication that Mrs Nayer might not have been capable of representing her husband and herself at the hearing came in the email application for the adjournment. The statement of case had been signed by her on behalf of herself and her husband and she had participated in the telephone Case Management Hearing when it had not been apparent that she was unable to either understand the proceedings or put the case on behalf of herself and her husband. In any event, the Respondents could have arranged for someone to represent them at the hearing. The Tribunal had to weigh up the prejudice to the Respondents in not being present to conduct their case against the prejudice to the Applicants in the case not proceeding on the appointed day and the Tribunal considered in all the circumstances, and as they had the benefit of the Respondents' statement of case, that the case should proceed.

The Applicant's case

12. It was the Applicant's case that a demand for the on-account service charge payment of £11083 per flat had been made first on 27th July 2016 and by subsequent reminders. The demands complied with the statutory requirements

for service charge demands and had been made in accordance with the lease. No payments had been forthcoming from the Respondents. Although the Applicants had gone through a section 20 Landlord and Tenant act 1985 procedure which they contended was compliant with the statute, there was no requirement to have done so for an on-account payment before costs have been incurred which was the case here. Costs are not incurred until either the landlord has itself received an invoice for payment or payment has actually been made (*OM Property Management Limited v Burr [2013]EWCA Civ 479*). The Applicant sought a declaration that the service charges claimed were due together with an order for payment thereof, interest and costs. An interest calculation was produced on the basis of an interest rate of 8% (the court rate) as opposed to the contractual rate contained in the lease of 16% (pleaded in the alternative). The Applicant's counsel sought only 8% as it could be argued that 16% was in the form of a penalty and would be unreasonable. A schedule of costs for summary assessment was supplied. The total amount claimed in respect of all three sets of proceedings came to £9984.56 inclusive of vat.

13. The Applicant accepted that the process of repairing the balconies had taken a long time but that there was an explanation for this. There was a change pf project managers as the Applicants lost confidence in the original firm, planning permission had to be obtained and the works required turned out to be far more extensive than at first thought. This meant that the cost of the proposed works had increased significantly. Furthermore, the delay in receiving funds from the Respondents to enable to works to proceed had incurred daily charges for the propping up of the structure. A Design and Access Statement and a Heritage Asset statement by project managers, Bennington Green, had been prepared on behalf of the Applicant for the purpose of the application to the Council for planning permission and which set out the proposed works was included in the hearing bundle as were details of estimates of the costs. The works entail the removal of the balconies and external stairs to the rear of the property and replacement with new. The estimates received range from £133,775.90 plus vat to £176,112.80 plus vat. The Applicant intends to proceed with the lowest estimate. This produces the amount required per flat when supervision fees have been added but less the utilisation of all but £9,000 in reserves, of £11083.

The Respondents' case

14. The Respondents' statement of case is dated 9th October 2017. It confirms ownership of the freehold and the three flats (5, 7 and 12) in question. It says that when the freehold was acquired by the Applicant in 2012 the new owners accepted that "regular maintenance had not been performed to a satisfactory level under previous management and that the block has fallen into disrepair". There was a demand for roof repairs which the Respondents paid. This was followed shortly afterwards by a demand for the regular annual service charges. The Respondents had some objections to these charges but they are not the subject of this application which relates solely to the on-account demand for balcony repairs.

15. As for these charges the Respondents say that they have the right to as the Tribunal to determine whether they are obliged under their lease to pay such

charges and, if so, whether the proposed charge is reasonable. That is quite right and it is what the Tribunal is tasked to do under this application.

16. The Respondents say that when questioned the landlord's representatives have threatened spiralling costs if payment is not made and that threats of forfeiture of the lease have been sent to their mortgagees and tenants. Other tenants have paid up under duress.

17. The Respondents say that the section 20 procedure has not been followed correctly. They say that they did not receive the initial Notice of Intention and that "the proper timescales of the notice were not abided by". They say that no estimates were issued within the consultation period which ended on 21st July 2013. £4,000 per flat was requested in January 2014 which the Respondents paid reluctantly. They were then surprised to learn that a year later they were being asked to pay a further £3,427 per flat, the costs having increased by £31,000 and funds of £10,000 already used up. The Respondents refused to pay this additional sum. Then almost one year later, a further demand for £11083 has been made "for the same work". This is in addition to the regular maintenance charges of £1,000 per year. The Respondents do not consider that the rise in cost is reasonable.

18. Under the heading in the statement of case of "Accounting" the Respondents say that they have been denied the ability to examine the accounting records as to the income into and expenditure from the service charge account. This, however, relates to the annual regular service charges and is not relevant to this discrete claim for an on-account payment for balcony repairs. The Respondents say that the increased costs are due to the landlord's historical neglect and breach of its covenant in the lease.

19. Under the heading "Meeting" in the statement of case the Respondents mention a meeting held on 21st June 2016 which they attended. At that meeting they (and another lessee) said that they would not support the balcony rebuild "as it is a non-essential repair which has not been caused by the negligence of the lessee". It is said that alternatives to the proposed balcony works were proposed as these would "add no value to the property" and would be a "complete waste of money". Alternatives discussed were a "one-off spruce-up of the entire building" or the prospect of selling the site to a developer at a price agreed by all owners".

20. In conclusion the Respondents say they believe they are not liable to pay the demand in question. The Council has never issued any notice requiring the balconies to be repaired or rebuilt despite the Applicant's claim to the contrary, that the management has misled the lessees such that they no longer have any faith in them and that the Applicants are acting unjustly.

The lease

21.The leases of all three flats the subject of these proceedings are effectively in identical terms. The landlord is responsible under the Sixth Schedule of the lease to "remedy all defects and keep in good and substantial repair and condition and to replace and renew as and when necessary", amongst other things, the "roofs

and the gutters pipes drains and other devices for conveying rainwater from the property" and "the main structure of the Property."

22. The lessee, by clause 3(4)(a) of the lease covenants to "pay ....one-twelfth of all moneys expended by the Lessor in complying with his covenants....as set forth in the Sixth Schedule".

23. By clause 3(4)(b) of the lease the lessee covenants "to pay to the Lessor or his agents for the time being such sum as the lessor or his agents shall in their absolute discretion deem appropriate (hereinafter called "the Estimated Sums") on account of the Lessee's liability under sub-clause (a) as the case may be such estimated sums to be paid on the twenty-fifth day of March and the twenty-ninth day of September in every year in advance." There is then provision for a balancing payment to be made once the final cost is known at the end of the service charge year either by the lessee to the Lessor (if an insufficient amount was demanded on-account) or by the Lessor to the Lessee (either by a payment or credit towards future service charge liability) if an overpayment on account had been made.

24. By clause 3(4)(d) of the lease "If any sums which are required to be paid by the Lessee in accordance with sub-clauses (a) and (b) hereof shall not be paid within twenty-one days after the same shall become due then without prejudice to any other right or remedy of the Lessor hereunder the same shall forthwith be recoverable by action and shall carry interest at the rate of four pounds per centum per annum above the Base Rate of Midland Bank PLC .... Or at the rate of £16.00 per centum per annum (whichever shall be the higher) until payment."

The applicable law

25. By section 19 of the Act it is provided that:-
" Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is payable, and, after the relevant costs have been incurred, any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise."

26. By section 27A(1) of the Act an application can be made to a [First-tier Tribunal (Property Chamber] for a determination as to whether a service charge is payable and, if it is, as to-
(a) the person by whom it is payable
(b) the person to whom it is payable
(c) the amount which is payable
(d) the date at which or by which it is payable; and
(e) the manner in which it is payable.

27. Section 20 of the Act and the regulations thereunder, set out the consultation requirements which must be complied with if a landlord is to recover costs incurred in excess of £250 for qualifying works. For the reasons given below, this section is not relevant to on-account demands for service charges where the costs of the work have not yet been incurred. The requirements are therefore not

relevant to this application and the Tribunal does not intend therefore to set out the requirements, which are very detailed, in these reasons.

The Tribunal's determination

28. The first question the Tribunal addressed was whether the Respondents were liable to pay the service charge demanded of £11083 under the terms of their lease. Clause 3(4)(b) clearly provides that estimated sums may be demanded on account of anticipated expenditure. The Tribunal did consider carefully, however, whether the demand had been made in accordance with all the provisions of that sub-clause. On a superficial reading thereof one might be forgiven for thinking that the estimated amount should be divided into two equal instalments: one payable on 25th March and the other payable on 29th September. However, the Tribunal did not construe the clause to require that two equal instalments be sought. The sub-clause does not say that it is payable in any particular proportion on those dates. So, it is possible for there to be unequal payments on account and indeed there is no requirement that there has to be payment of any amount at all on each date. The Tribunal considered that where there is likely to be expenditure to be incurred either in the early part of the year or the later part of the year then a demand can be made for the full amount on either 25th March or 29th September whichever is more applicable.

29. In this case, the first demand was made on 27th July 2016 and it did not specify when it was payable. The Tribunal considers that this was not a valid demand under the lease. A further demand was made, however, on 19th August 2016. It was for the full amount of £11,083 but it was specified that this payment was due on 29th September 2016. The Tribunal considers that this was a valid demand under the lease and that interest became payable under that demand 21 days after 29th September 2016. That demand also complied with all the statutory requirements for a residential service charge.

30. The next question the Tribunal considered was whether the alleged non-compliance with the section 20 consultation procedures rendered the demand irrecoverable. The short answer to that is "no". The Tribunal agrees with the Applicant that section 20 has no bearing on an on-account demand where the expenditure has not yet been incurred. Section 20 specifically refers to costs "incurred". In this case the work has not yet commenced and the cost will not have been incurred until either the Applicant pays for the work or, at least, it receives an invoice for that work. If and when the costs have been incurred, the Applicant will need to show that before the work was carried out it did undergo the section 20 consultation process properly (or, alternatively, invite the Tribunal to dispense retrospectively with those requirements). The Respondents will have an opportunity of putting forward their case on the section 20 procedure at that point if they so wish under an application under section 27A of the Act of their own. The Respondents should, however, bear in mind that they seem to misunderstand some of the requirements. For example, it is not a requirement that the landlord produces estimates prior to the expiry of the consultation period for the lessees to respond to the notice of intention, as the Respondents seem to suggest.

31. The next question the Tribunal addressed was the reasonableness of the demand. The Tribunal had no hesitation in finding that the rear balconies, stairs and rainwater goods are in an appalling state and that very extensive works of repair are required to remedy the situation. The works to the balconies and stairs are works to the structure of the building,. Both these works and the replacement of the rainwater goods are items specifically referred to in the Sixth Schedule to the lease as being the lessor's responsibility to repair and in respect of which each lessee is required to pay one-twelfth of the cost to the Lessor. These works are, in the Tribunal's experience, going to be very expensive and in line with the estimates received by the Applicant. Three estimates were obtained and the demand has been based on the lowest received. The Tribunal finds that in these circumstances the amount claimed (which also takes into account the project manager's fees less a contribution from reserves) is reasonable.

32. The Respondents claim that it will be a waste of money to spend so much on the balconies, stairs and rainwater goods that it will not be value for money and not add to the value of their properties. The Respondents have produced no evidence from an expert or any other source to back this claim up. Nor have they produced any concrete alternative proposals which are anything more than vague suggestions as to what might be done. The fact of the matter is that the building containing the flats over which they have leases is in the particular form that it is. The Lessor's duty is to repair the structure as it is and it is the Lessees' obligation under the lease to pay for this. If there were to be compelling evidence of an alternative scheme (which would have to be acceptable to all the Lessees of the building and the Landlord) then such an alternative arrangement would be possible. Also, if the Respondents had been able to produce evidence that the costs of such work would not be reasonably incurred then that is something that the Tribunal could have taken into account when considering whether the demand on account of the costs was or was not reasonable. No such evidence has, however, been produced. Further, the Tribunal does not understand the Respondents' argument that the works will not add to the value of their properties. It considers that the flats must currently be very difficult if not impossible to sell. Although these costs are substantial they should render the flats saleable. The Tribunal does not consider that a "one-off spruce up" of the whole building will suffice.

Interest

33. Interest is payable on the sum of £11083, under the lease, from 21days from 29th September 2016 until judgement. The Applicant could have sought interest at 16%. Sensibly, it does not do so, but seeks interest at the court rate of 8%. The Respondents must pay interest at this rate on the sum owed for 420 days. A County Court order will be made to this effect. Interest will continue to accrue and be payable in the sum of £2.43 per day under each order until payment.

Costs

34. Clause 2(8) of the lease the Lessee covenants to pay "all costs, charges and expenses (including solicitors' and counsel's costs and fees) incurred by the Lessor (i) in or in contemplation of any proceedings in respect of the Leases

under section 146 or 147 of the Law of Property Act 1925 or any re-enactment or modification thereof notwithstanding forfeiture is avoided otherwise than by relief granted by the Court or (ii) in connection with the recovery or attempted recovery by the Lessor from the Lessee of any monies due from the Lessee to the Lessor under the provisions of the Leases which have not been paid on the due date" Clearly, therefore, the lease enables the Applicant to recover its costs of the County Court proceedings from the Respondents. This is an administration charge as defined in paragraph 1 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act"). Such a charge is payable only insofar as it is reasonable (paragraph 2 of the said Schedule to the 2002 Act).

35. As far as the Tribunal proceedings are concerned, the Tribunal is usually a "no-costs jurisdiction". However, as the Court of Appeal found in the case of *69 Marina v Oram & Ghoorun [2011] EWCA Civ 1258* costs of seeking a tribunal determination are recoverable as a necessary step in contemplation of the service of a section 146 Law of Property Act 1925 notice, as a pre-cursor to forfeiture proceedings. As stated in paragraph 34 above the lease at clause 2(8) contains a covenant on the part of the lessee to pay the Lessor's legal costs incurred in contemplation of the service of a section 146 notice. The question is whether these proceedings have been brought as a precursor to such forfeiture action. The County Court proceedings seek a declaration pursuant to section 81 of the Housing Act 1996 which is necessary before a section 146 notice can be served and the Tribunal proceedings have resulted from those proceedings. The Tribunal concludes, therefore, that the Tribunal proceedings are a necessary step towards forfeiture proceedings and are recoverable by the Applicant under clause 2(8) of the lease.

36. The Tribunal has examined the statement of costs for summary assessment as supplied by the Applicant. It finds that the hourly rates applied, the work done and time spent as claimed to be reasonable and that the costs claimed are payable by the Respondents in the proportion of one-third thereof in respect of each lease. As Mrs Nayer is the registered proprietor of two of the three leases she will bear two-thirds of the costs and Nr Nayer one-third.

37. County Court orders will be made in respect of each of the three sets of proceedings to accompany this determination.

Dated the 14th day of December 2017

Judge D. Agnew (Chairman)

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

In the Liverpool County Court

Claim No: D30LV034

Between:

Knyveton House Management Limited

Claimant

Mr Vivek Nayar

Defendant

ORDER

BEFORE Judge D. Agnew sitting with Mr P Turner-Powell FRICS as Assessor at Poole Tribunal Centre on 28th November 2017

UPON hearing Counsel for the Applicant and the Defendant not attending

IT IS ORDERED THAT

(1) The spelling of the Defendant's name in these proceedings is hereby corrected from Nayer to Nayar.

(2) The Defendant shall pay to the Claimant the sum of £11083 in respect of unpaid service charges for Flat 7, Knyveton House, Bournemouth BH1 3QW

(3) The Defendant shall pay to the Claimant interest in the sum of £1030.60 to the date hereof and thereafter at the rate of £2.43 per day until payment

(4) The Defendant shall pay to the Claimant costs in the sum of £3328.18

Reasons for the making of this Order are set out in the determination of the First-tier Tribunal (Property Chamber) dated 14th December 2017 under case reference CHI/00HN/LIS/2017/0020.

Dated the 14th day of December 2017

In the Liverpool County Court

Claim No: D30LV032

Between:

Knyveton House Management Limited

Claimant

Mrs Jasbinder Nayar

Defendant

ORDER

BEFORE Judge D. Agnew sitting with Mr P Turner-Powell FRICS as Assessor at Poole Tribunal Centre on 28th November 2017

UPON hearing Counsel for the Applicant and the Defendant not attending

IT IS ORDERED THAT

(1) The spelling of the Defendant's name in these proceedings is hereby corrected from Nayer to Nayar

(2) The Defendant shall pay to the Claimant the sum of £11083 in respect of unpaid service charges for Flat 12, Knyveton House, Bournemouth BH1 3QW

(3) The Defendant shall pay to the Claimant interest in the sum of £1030.60 to the date hereof and thereafter at the rate of £2.43 per day until payment

(4) The Defendant shall pay to the Claimant costs in the sum of £3328.18

Reasons for the making of this Order are set out in the determination of the First-tier Tribunal (Property Chamber) dated 14th December 2017 under case reference CHI/00HN/LIS/2017/0020.

Dated the 14th day of December 2017

In the Liverpool County Court

Claim No: D30LV033

Between:

Knyveton House Management Limited

Claimant

Mrs Jasbinder Nayar

Defendant

ORDER

BEFORE Judge D. Agnew sitting with Mr P Turner-Powell FRICS as Assessor at Poole Tribunal Centre on 28th November 2017

UPON hearing Counsel for the Applicant and the Defendant not attending

IT IS ORDERED THAT

(1) The spelling of the Defendant's name in these proceedings is hereby corrected from Nayer to Nayar

(2) The Defendant shall pay to the Claimant the sum of £11083 in respect of unpaid service charges for Flat 5, Knyveton House, Bournemouth BH1 3QW

(3) The Defendant shall pay to the Claimant interest in the sum of £1030.60 to the date hereof and thereafter at the rate of £2.43 per day until payment

(4) The Defendant shall pay to the Claimant costs in the sum of £3328.18

Reasons for the making of this Order are set out in the determination of the First-tier Tribunal (Property Chamber) dated 14th December 2017 under case reference CHI/00HN/LIS/2017/0020.

Dated the 14th day of December 2017