



Residential Property TRIBUNAL SERVICE

LONDON RENT ASSESSMENT PANEL

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION UNDER SECTIONS 27A & 20C OF THE LANDLORD AND TENANT ACT 1985 & SCHEDULE 11 TO THE COMMONHOLD AND LEASEHOLD REFORM ACT 2002

| Case Reference: | LON/00BB/LSC/2013/0056 |
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| Premises: | 27 Barrier Point, Silvertown London E16 2SB |
| Applicant(s): | Barrier Point RTM Company Limited |
| Representative: | J B Leitch LLP |
| Respondent(s): | Mr S G P Dougall (1) and Ms O Dunn (2) |
| Representative: | In person |
| Leasehold Valuation Tribunal: | Mr J P Donegan (Chairman) Mrs A Flynn MRICS (Valuer Member) |
| Date of decision: | 18 June 2013 |



Decisions of the Tribunal

(1) The Tribunal determines that the following sums became payable by the Respondents to the Applicant by 13 February 2013:

Interim service charges for the period ended 30 November 2012 £2,520.06

Balancing charge for the period ended 30 November 2011 ± 56.90

£2,576.96

- (2) The Respondents are not liable to pay the opening balance (£150) or the arrears referral fee (£60) demanded by the Applicant.
- (3) Since the Tribunal has no jurisdiction over county court costs, fees and interest, this matter should now be referred back to the Bow County Court.

The application

- 1. By a claim issued in the Northampton County Court, the Applicant commenced proceedings against the Respondents to recover arrears of service charges and administration charges and other contractual costs totalling £3,589.32.
- 2. By an order dated 08 January 2013 made by District Judge Cole, sitting at Bow County Court, the claim was transferred to the Tribunal.
- 3. An oral pre-trial review took place on 19 February 2013 when directions were given. Formal notice was given to the parties that the matter would be dealt with as a paper determination without an oral hearing and no objection was received.
- 4. In accordance with the directions, the parties each filed statements of case. In addition the Applicant filed a reply to the Respondents' statement of case. The Tribunal were supplied with a bundle containing copies of the statements of case, the reply, the lease and various other relevant documents.
- 5. The Applicant seeks a determination pursuant to Section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act") and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") as to the amount of service charges and administration charges payable by the Respondents in respect of the service charge years ended 30 November 2011 and 30 November 2012.
- 6. The relevant legal provisions are set out in the Appendix to this decision.

The background

- 7. The property which is the subject of this application is 27 Barrier Point, Silvertown, London E16 2SB ("the Flat"). The Respondents are the leaseholders of the Flat.
- 8. The Applicant is a Right to Manage ("RTM") company that acquired the right to manage Barrier Point ("the Estate") on 28 November 2011.
- 9. Neither party requested an inspection of the Flat or the Estate. The Tribunal did not consider that an inspection was necessary, nor would it have been proportionate to the issues in dispute.

The lease

- 10. The Respondents hold a long lease of the Flat that was granted on 28 October 1999. The original parties to the lease were (1) Barratt Homes Limited (1), (2) OM Management Services Limited ("the Manager") and (3) John Dennis Arthuer Seymour-Griffin and Jacqueline Joan Seymour-Griffin. The current registered freeholder of the Estate is Proxima GR Properties Limited ("Proxima").
- 11. The tenth schedule to the lease requires the Manager to provide various services. The tenant is obliged to pay for those services by way of a variable service charge. The covenant to pay service charges is enforceable by the landlord and the Manager pursuant to part one of the eighth schedule to the lease. The management functions under the lease have passed to the Applicant pursuant to section 96 (3) of the 2002 Act.

The issues

- 12. The Tribunal identified the relevant issues for determination as follows:
 - Whether the Respondents are liable to pay an opening balance of £150, being the sum showing as due for the Flat as at the RTM Acquisition Date (28 November 2011).
 - (ii) Whether the Respondents are liable to pay the estimated, advance service charges for the Flat for the period ended 30 November 2012 in the sum of $\pounds 2,520.06$;
 - (iii) Whether the Respondents are liable to pay the balancing charge for the Flat for the period ended 30 November 2011 in the sum of £56.90;

- (iv) Whether the Respondents are liable to pay an administration charge of £60 (£50 plus VAT) levied by the Applicant's managing agents, Essex Properties Limited ("Essex") on 20 September 2012.
- 13. The Respondents have not disputed the amount of the service charges for the Flat. Rather they contend that they are not liable to pay the charges as the demands served by the Applicant did not comply with section 47 of the Landlord and Tenant Act 1987 ("the 1987 Act") or pre-dated the RTM Acquisition Date.
- 14. At the pre trial review it was agreed that the Tribunal did not as yet have jurisdiction to determine the Applicant's claim for contractual costs, as an administration charge. This is because the amount of these costs cannot be finalised until the proceedings are concluded. It follows that there is no application under section 20C of the 1985 Act.
- 15. The Tribunal has no jurisdiction to determine the Applicant's claim for interest.
- 16. Having heard evidence and submissions from the parties and considered all of the documents provided, the Tribunal has made determinations on the various issues as follows.

Section 47 Landlord and Tenant Act 1987

- 17. The Respondents' primary point is that they do not have to pay the service charges demanded by the Applicant, as the relevant demands did not include Proxima's name and address. They contend that Proxima is the landlord of the Flat for the purposes of section 47 of the 1987 Act.
- 18. The Applicant's solicitors rely on section 47 (4) and contend that section 47 does not apply to the demands, as the lease provides that the service charges are due to the Manager rather than Proxima (as the landlord). They referred the Tribunal decision in <u>Twelvetrees (Bromley-by-Bow) Management Company Limited v Pender & Others</u> <u>LON/00BG/LSC/2010/326</u> in support of this proposition. The Respondents argue that the demands are caught by section 47, as the covenant to pay the service charges is a joint covenant with the landlord and the Manager.
- 19. The Applicant's "fall back" position is that if section 47 applies, then the failure to include Proxima's name and address in the demands was rectified by a letter they sent to the Second Respondent dated 11 February 2013. That letter enclosed a statement of account and two summaries of rights and obligations. It also gave Proxima's name and address. The Applicant's solicitors rely on the decision of the Upper Tribunal (Lands Chamber) in <u>Staunton v Kaye and Taylor [2010] UKUT 270 (LC)</u>. They say that the decision is authority for the "...proposition that it is permissible for the demanding party to retrospectively make service charge demands comply with

Sections 47 and 48 of the Landlords (sic) and Tenants Act 1987, even after formal legal proceeds have been issued for the recovery of such arrears".

20. The Respondents point to the President's finding of fact that sections 47 and 48 had been complied with by the time of the hearing in <u>Staunton</u>. They argue that section 47 still has not been complied with in the current case and that the letter from the Applicant's solicitors, dated 11 February 2013, has not cured the defect. In their view the Applicant cannot make a "..*piecemeal compendious demand under section 47*". Rather they consider that for a demand to comply with section 47 it must be in one document complying with all the requirements of that section.

The Tribunal's decision

- 21. The Tribunal concluded that section 47 of the 1987 Act does apply to the service charges demanded by the Applicant, by virtue of paragraph 12 (1) of schedule 7 to the 2002 Act References to "the landlord" in sections 46 to 48 include "the RTM company". The Applicant is obliged to collect the service charges, as it has taken over the management functions under the lease. It follows that the charges are payable to them and their demands are caught by section 47 (1). The present case can be distinguished from <u>Twelvetrees</u>, as the Applicant is an RTM company.
- 22. The service charge demands did not include Proxima's name and address and the service charges were not payable until this information was furnished. Proxima's name and address was contained in the letter from the Applicant's solicitors dated 11 February 2013. The service charges became payable when the Respondents received the letter, by virtue of section 47 (2). Allowing two days for postage, the letter would have been received by 13 February 2013. This is the date on which the service charges became due. Section 47 (2) specifically envisages that details of a landlord's name and address can be furnished separately to a demand. There was no requirement for the Applicant to serve a fresh demand containing Proxima's name and address. Rather all they had to do was furnish this information to the Respondent.

Opening Balance £150.00

- 23. The Applicant seeks to recover a sum of £150 being the opening balance on the service charge account for the Flat on the RTM Acquisition Date. Included in the hearing bundle was a statement of account dated 16 December 2011. The statement includes an entry described as "*PDC fee's*", dated 17 March 2011, for £150. The Applicant stated that this was an administration charge levied by the Manager, for collecting service charge arrears.
- 24. The Respondents dispute the opening balance figure and say they disputed the PDC fees with the previous managing agents. They contend that the Applicant is not

entitled to collect any sums due before the RTM Acquisition Date. Rather they argue that any claim to recover the PDC fees remains with the landlord (Proxima).

25. The Applicant's solicitors rely on section 100 of the 2002 Act and argue that their client has acquired the benefit of the previous management company's right to collect service charges from the Respondents. They say that the Applicant is entitled to collect and levy service charges in respect of sums expended prior to the Acquisition Date.

The Tribunal's decision

- 26. The Respondents are not liable to pay the PDC fees of £150.00 to the Applicant.
- 27. The Applicant has not supplied the Tribunal with any documentary evidence that establishes the basis upon which the PDC fees were charged. Indeed the Tribunal has not been advised what the acronym "PDC" stands for. It is for the Applicant to prove that it is entitled to collect these fees under the terms of the lease and they have not done so.
- 28. The PDC fees were levied some 8 months before the RTM Acquisition Date and were not incurred by the Applicant. It is for the Manager (or Proxima) to try and recover these fees. The Applicant is not permitted to recover service charges that relate to costs incurred before the Acquisition Date, by virtue of section 97 (5) of the 2002 Act. By analogy it should not be permitted to recover administration charges incurred before the Acquisition Date, if that is what the PDC fees are.

Interim service charge for period ended 30 November 2012 - £2,520.26

29. The Respondents' only challenge to this item was that the Applicant had not complied with section 47 of the 1987 Act.

The Tribunal's decision

30. The Tribunal has found that section 47 (1) of the 1987 Act has been complied with. It determines that the Respondents are liable to pay the interim service charges of £2,520.26. These service charges became payable by 13 February 2013.

Balancing charge to 30 November 2011 £56.90

31. The Respondents contend that they do not have to pay the balancing charge to the Applicant and that the Applicant cannot recover any sums due before the Acquisition Date. The Respondents did not dispute the amount of the balancing charge.

32. Again the Applicant's solicitors rely on section 100 of the 2002 Act and argue that their client is entitled to collect service charges which have been levied in respect of sums expended before the Acquisition Date.

The Tribunal's decision

- 33. The Tribunal determines that the Respondents are liable to pay the balancing charge of £56.90 to the Applicant. Again the date by which payment became due was 13 February 2013.
- 34. The liability to pay the balancing charge only arose after the end of the financial year (30 November 2011). This was after the RTM Acquisition Date and the Manager and Proxima are not able to demand or recover balancing charge. The demand was correctly made by Essex, on behalf of the Applicant.

Arrears Referral Fee £60

- 35. The Applicant seeks to recover an administration charge of £60. The invoice from Essex was dated 20 September 2012 and contains the description "To Invoice in relation to referral to Solicitor for arrears recovery".
- 36. The Respondents dispute this fee. They argue that there are no arrears and so the Applicant cannot charge a fee for pursuing the arrears.

The Tribunal's decision

- 37. The Tribunal determines that the Respondents are not liable to pay the arrears referral fee of £60 to the Applicant.
- 38. The Tribunal has determined that the interim service charges for the period ended 30 November 2012 and the balancing charge for the year ended 30 November 2011 became due by 13 February 2013. The opening balance has been disallowed. No sums were due from the Respondents on 20 September 2012 and Essex are not entitled to recover any fee for referring the arrears to a solicitor at that time.

Next steps

39. The Tribunal has determined that service charges totalling £2,576.96 are payable by the Respondents to the Applicant and that this sum became payable by 13 February 2013. The Respondents point out (correctly) that no sums were due from them when the proceedings were issued or transferred to the Tribunal. This is a matter for the County Court rather than the Tribunal. The Tribunal is only able to determine the

amount which is payable, by whom, to whom, the date at or by which it is payable and the manner in which it is payable. The Tribunal has no jurisdiction to determine whether the proceedings were premature or the claims for costs, court fees and interest. This matter should now be returned to the Bow County Court.

Chairman:

Jeremy Donegan

Date:

18 June 2013

Appendix of relevant legislation

Landlord and Tenant Act 1985

Section 18

- (1) In the following provisions of this Act "service charge" means an amount payable by a Tenant of a dwelling as part of or in addition to the rent -
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the Landlord's costs of management, and
 - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the Landlord, or a superior Landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
 - (a) "costs" includes overheads, and
 - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
 - (a) only to the extent that they are reasonably incurred, and
 - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard;and the amount payable shall be limited accordingly.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

- (1) An application may be made to a Leasehold valuation tribunal for a determination whether a service charge is payable and, if it is, as to -
 - (a) the person by whom it is payable,
 - (b) the person to whom it is payable,
 - (c) the amount which is payable,
 - (d) the date at or by which it is payable, and
 - (e) the manner in which it is payable.

- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to a Leasehold valuation tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to -
 - (a) the person by whom it would be payable,
 - (b) the person to whom it would be payable,
 - (c) the amount which would be payable,
 - (d) the date at or by which it would be payable, and
 - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
 - (a) has been agreed or admitted by the Tenant,
 - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the Tenant is a party,
 - (c) has been the subject of determination by a court, or
 - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the Tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

Section 20B

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

Section 20C

(1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or leasehold valuation tribunal, or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.

- (2) The application shall be made—
 - (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
 - (aa) in the case of proceedings before a residential property tribunal, to a leasehold valuation tribunal;
 - (b) in the case of proceedings before a leasehold valuation tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any leasehold valuation tribunal;
 - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
 - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

Landlord and Tenant Act 1987

Section 47

- (1) Where any written demand is given to a tenant of premises to which this Part applies, the demand must contain the following information, namely –
 - (a) the name and address of the landlord, and
 - (b) if that address is not in England and Wales, an address in England and Wales at which notices (including notices in proceedings) may be served on the landlord by their tenant.
- (2) Where -
 - (a) a tenant of any such premises is given such a demand, but
 - (b) it does not contain any information required to be contained in it by virtue of subsection (1),

then (subject to subsection (3)) any part of the amount demanded which consists of a service charge or an administration charge ("the relevant amount") shall be treated for all purposes as not being due from the tenant to the landlord at any time before that information is furnished by the landlord by notice given to the tenant.

- (3) The relevant amount shall not be so treated in relation to any time when, by virtue of an order of any court or tribunal, there is in force an appointment of a receiver or manager whose functions including the receiving service charges or (as the case may be) administration charges from the tenant.
- (4) In this section "demand" means a demand for rent or other sums payable to the landlord under the terms of the tenancy.

Leasehold Valuation Tribunals (Fees)(England) Regulations 2003

Regulation 9

- (1) Subject to paragraph (2), in relation to any proceedings in respect of which a fee is payable under these Regulations a tribunal may require any party to the proceedings to reimburse any other party to the proceedings for the whole or part of any fees paid by him in respect of the proceedings.
- (2) A tribunal shall not require a party to make such reimbursement if, at the time the tribunal is considering whether or not to do so, the tribunal is satisfied that the party is in receipt of any of the benefits, the allowance or a certificate mentioned in regulation 8(1).

Commonhold and Leasehold Reform Act 2002

Section 96

- (1) This section and section 97 apply in relation to management functions relating to the whole or any part of the premises
- (2) Management functions which a person who is a landlord under a lease of the whole or any part of the premises are instead functions of the RTM company.
- (3) And where a person is a party to a lease of the whole or any part of the premises otherwise than as a landlord or tenant, management functions of his under the lease are also instead functions of the RTM company.
- (4) Accordingly, any provisions of the lease making provision about the relationship of -
 - (a) a person who is landlord under the lease, and
 - (b) a person who is a party to the lease otherwise than as landlord or tenant in relation to such functions do not have effect.
- (5) "Management functions" are functions with respect to services, repairs, maintenance, improvements, insurance and management.
- (6) But this section does not apply in relation to -

- (a) functions with respect to a matter concerning only part of the premises consisting of a flat or other unit not held under a lease by a qualifying tenant, or
- (b) functions relating to re-entry or forfeiture.
- (7) An order amending subsection (5) or (6) may be made by the appropriate national authority.

Section 97

- (1) Any obligation owed by the RTM company by virtue of section 96 to a tenant under a lease or the whole or of any part of the premises is also owed to each person who is a landlord under the lease.
- (2) A person who is
 - (a) landlord under a lease of the whole or any part of the premises,
 - (b) party to such a lease otherwise than as a landlord or tenant, or
 - (c) a manager appointed under Part 2 of the 1987 Act to act in relation to the premises, or any premises containing or contained in the premises

is not entitled to do anything which the RTM company is required or empowered to do under the lease by virtue of section 96, except in accordance with an agreement made by him and the RTM company.

- (3) But subsection (2) does not prevent any person from insuring the whole or any part of the premises at his own expense.
- (4) So far as any function of a tenant under a lease of the whole or any part of the premises
 - (a) relates to the exercise of any function under the lease which is a function of the RTM company by virtue of section 96, and
 - (b) is exercisable in relation to a person who is landlord under the lease or party to the lease otherwise than as landlord or tenant,

it is instead exercisable in relation to the RTM company.

(5) But subsection (4) does not require or permit the payment to the RTM company of so much of any service charges payable by a tenant under a lease of the whole or any part of the premises as is required to meet costs incurred before the right to manage was acquired by the RTM company in connection with matters for which the service charges are payable.

Section 100

(1) This section applies in relation to the enforcement of untransferred tenant covenants of a lease of the whole or any part of the premises.

- (2) Untransferred tenant covenants are enforceable by the RTM company, as well as by any other person by whom they are enforceable apart from this section, in the same manner as they are enforceable by any other such person.
- (3) But the RTM company may exercise any function of re-entry or forfeiture.
- (4) In this Chapter "tenant covenant", in relation to a lease, means a covenant falling to be complied with by a tenant under the lease; and a tenant covenant is untransferred if, apart from this section, it would not be enforceable by the RTM company.
- (5) Any power under a lease of a person who is
 - (a) landlord under the lease, or
 - (b) party to the lease otherwise than as landlord or tenant,

to enter any part of the premises to determine whether a tenant is complying with any untransferred tenant covenant is exercisable by the RTM company (as well as by the landlord or party).

Schedule 8, paragraph 12

- (1) Sections 46 to 48 of the 1987 Act (information to be furnished to tenants) have effect with the modifications provided by this paragraph.
- (2) References to the landlord include the RTM company.
- (3) References to a tenant include a person who is a landlord under a lease of the whole or any part of the premises; and in relation to such a person the reference in section 47(4) to sums payable to the landlord under the terms of the tenant are to sums paid by him under section 103 of this Act.

Schedule 11, paragraph 1

- (1) In this Part of this Schedule "administration charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly—
 - (a) for or in connection with the grant of approvals under his lease, or applications for such approvals,
 - (b) for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,

- (c) in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to his lease otherwise than as landlord or tenant, or
- (d) in connection with a breach (or alleged breach) of a covenant or condition in his lease.
- (2) But an amount payable by the tenant of a dwelling the rent of which is registered under Part 4 of the Rent Act 1977 (c. 42) is not an administration charge, unless the amount registered is entered as a variable amount in pursuance of section 71(4) of that Act.
- (3) In this Part of this Schedule "variable administration charge" means an administration charge payable by a tenant which is neither—
 - (a) specified in his lease, nor
 - (b) calculated in accordance with a formula specified in his lease.
- (4) An order amending sub-paragraph (1) may be made by the appropriate national authority.

Schedule 11, paragraph 2

A variable administration charge is payable only to the extent that the amount of the charge is reasonable.

Schedule 11, paragraph 5

- (1) An application may be made to a leasehold valuation tribunal for a determination whether an administration charge is payable and, if it is, as to—
 - (a) the person by whom it is payable,
 - (b) the person to whom it is payable,
 - (c) the amount which is payable,
 - (d) the date at or by which it is payable, and
 - (e) the manner in which it is payable.
- (2) Sub-paragraph (1) applies whether or not any payment has been made.
- (3) The jurisdiction conferred on a leasehold valuation tribunal in respect of any matter by virtue of sub-paragraph (1) is in addition to any jurisdiction of a court in respect of the matter.
- (4) No application under sub-paragraph (1) may be made in respect of a matter which—
 - (a) has been agreed or admitted by the tenant,

- (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
- (c) has been the subject of determination by a court, or
- (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.
- (6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—
 - (a) in a particular manner, or
 - (b) on particular evidence,

of any question which may be the subject matter of an application under subparagraph (1).

Schedule 12, paragraph 10

- (1) A leasehold valuation tribunal may determine that a party to proceedings shall pay the costs incurred by another party in connection with the proceedings in any circumstances falling within sub-paragraph (2).
- (2) The circumstances are where—
 - (a) he has made an application to the leasehold valuation tribunal which is dismissed in accordance with regulations made by virtue of paragraph 7, or
 - (b) he has, in the opinion of the leasehold valuation tribunal, acted frivolously, vexatiously, abusively, disruptively or otherwise unreasonably in connection with the proceedings.
- (3) The amount which a party to proceedings may be ordered to pay in the proceedings by a determination under this paragraph shall not exceed—
 - (a) £500, or
 - (b) such other amount as may be specified in procedure regulations.
- (4) A person shall not be required to pay costs incurred by another person in connection with proceedings before a leasehold valuation tribunal except by a determination under this paragraph or in accordance with provision made by any enactment other than this paragraph.