



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

**Case Reference** : **LON/00AW/LSC/2019/0105**

**Property** : **59G Edith Grove London SW10 0LB**

**Applicant** : **Ms Nagwa El Kilany**

**Representatives** : **In person**

**Respondent** : **Royal Borough of Kensington and Chelsea**

**Representative** : **Mr Tazafar Asghar of Counsel**

**Type of Application** : **For the determination of the liability to pay and reasonableness of service charges (s.27A Landlord and Tenant Act 1985)**

**Tribunal Members** : **Judge Professor Robert Abbey  
Mr C Gowman BSc MCIEH Professional Member  
Mr J Francis Lay Member**

**Date and venue of Hearing** : **5<sup>th</sup> August 2019 at 10 Alfred Place,  
London WC1E 7LR**

**Date of Decision** : **27 September 2019**

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**DECISION**

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## **Decisions of the tribunal**

- (1) The tribunal determines that:-

### Window works

The respondent having confirmed that it does not seek to recover the costs associated with window works the Tribunal makes no order in this regard.

The Tribunal does find that the windows in the property form part of the demised property as defined by the terms of the lease of the property.

### Roof works

The cost of £3406.46 listed in the schedule of disputed service charges at page 41 of the trial bundle is not fair and reasonable and is reduced by the Tribunal to the sum of £2936.95

### Preliminary costs

The cost of £4827.28 is unreasonable and unfair as the respondent failed to make a reasonable deduction for preliminaries attributed to the window works that will no longer be part of the service charges. Therefore the Tribunal makes a reasonable adjustment that means the contribution payable by the applicant amounts to the reduced contribution of £444.

### Professional fees of 9.13%

These fees are considered to be fair and reasonable and payable by the applicant

- (2) It is the Tribunal's decision that it is both just and equitable to make an order pursuant to S. 20C of the Landlord and Tenant Act 1985. Therefore, the tribunal makes an order pursuant to the terms of s.20c the details of which appear at the end of this determination.
- (3) The Tribunal orders that the respondent do refund the applicant's application and hearing fees in the combined sum of £300 but that there be no order for costs.
- (4) The Tribunal finds that the section 20 consultation procedure completed by the respondent was not faulty and therefore the Tribunal makes no order in regard.

## **The application**

1. The applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 (“the 1985 Act”) as to the amount of service charge payable to the respondent in respect of service charges payable for services provided for **59G Edith Grove London SW10 0LB**, (the property) and the liability to pay such service charge.
2. The relevant legal provisions are set out in the Appendix to this decision. Additionally, rights of appeal are set out below in an annex to this decision

### **The hearing**

3. The applicant was not represented and appeared in person and the respondent was represented by Mr Tazafar Asghar of Counsel.
4. The tribunal had before it two trial bundles of documents prepared by both of the parties. Additional copy paperwork was made available to the tribunal on the day of the hearing to support the applicant’s claim for costs and to support the respondent’s service charge claim.

### **The background and the issues**

5. The property is a one bedroom flat in a building block known as 57/59 Edith Grove. There are five flats in the communal area, one flat at street level and two basement flats.
6. The tribunal did not consider that an inspection was necessary in the light of the detailed and extensive paperwork in the trial bundles; nor would it have been proportionate to the issues and service charge amounts that are in dispute.
7. The applicant tenant holds a long lease within the property which requires the landlord to provide services and the tenant to contribute towards their cost by way of a service charge. The applicant tenant must pay an appropriate contribution stipulated in their lease for the services provided. (The actual appropriate contribution is expressed to be a particular fraction for each flat and which fraction will vary with each flat dependant on the number of usable rooms in the flat as compared with the total number of such rooms in the block). The service charge appropriate contribution for Flat 59G is 3 over 23 i.e.  $\frac{3}{23}$ . (The respondent did also say that in some elements of the service charge the fraction was  $\frac{3}{14}$  and that this arose from the nature of the block layout).
8. The issues the applicant raised covered the reasonableness of the management fee service charges demanded by the respondent and carried out as major works in 2013. Initially the applicant disputed charges for window works, roof works, preliminary charges or costs and professional fees at 9.13%. The applicant also disputed the section 20 consultation process by the respondent.

9. The applicant also sought an order under s.20C of the Landlord and Tenant Act 1985 seeking to debar the respondent from recovering its costs of this litigation as well as an order for costs and for a Tribunal fees refund
10. With regard to the window works, the respondent having confirmed that it does not seek to recover the costs associated with window works the Tribunal makes no order in this regard. It did so because during the litigation the Council came to the conclusion that the windows formed part of the demised premises as defined in the lease of the property. The Tribunal took time to consider this issue and of course considered the relevant terms of the lease. The tribunal also sought precedent guidance to support their decision making process. The Supreme Court case of *Arnold v Britton and Others* [2015] UKSC 36 is extremely helpful in this regard. This case was about judicial interpretation of contractual provisions analogous to the dispute before the tribunal. The court held : -

*“that the interpretation of a contractual provision, including one as to service charges, involved identifying what the parties had meant through the eyes of a reasonable reader, and ,save in a very unusual case, that meaning was most obviously to be gleaned from the language of the provision; that, although the less clear the relevant words were, the more the court could properly depart from their natural meaning, it was not to embark on an exercise of searching for drafting infelicities in order to facilitate departure from the natural meaning; that commercial common sense was relevant only to the extent of how matters would or could have been perceived by the parties, or by reasonable people in the position of the parties as at the date on which the contract was made....it was not the function of a court to relieve a party from the consequences of imprudence or poor advice”.*

11. Accordingly the tribunal turned to the lease to try to identify what the lease parties had meant through the eyes of a reasonable reader. The fifth schedule of the lease states that the demised premises includes

*“The internal plastered coverings and plaster work of the walls bounding the flat and the doors and door frames and windows and window frames fitted in such wall....”*

The Tribunal therefore took the view that a reasonable interpretation of this wording by a reasonable reader would lead to the inescapable conclusion that the windows in the property form part of the demised premises and are therefore to be maintained by the tenant. The lease wording seemed to the Tribunal to be clear and stated that the extent of the property, (the extent of the demise), unambiguously included the windows and window frames.

## **Summary of the applicant’s argument**

12. In essence and ignoring matters regarding the window works, the applicant says the roofing works were unreasonably costly and not required. She provided an alternative roofing estimate showing much lower charges. She also asserted that works had been carried out previously that made the major works unnecessary. Next, she asserted that the preliminary costs were excessive and did not apply to her property and thus were unreasonable and unnecessary. Her view was that these items had no relationship to the terms of her lease and therefore could not be charges she had to pay.
13. The applicant also said that the professional fees were unreasonable as an item in the contract. She objected to this kind of charge given the nature of her property. However, she did concede that the percentage charged of 9.13% was at a reasonable level.. She also maintained that the s.20 consultation process was flawed because her property was unfairly lumped in with many other unrelated properties. Her view was these other properties were not in her lease and so should not have been involved.

### **Summary of the respondent's argument**

14. The respondent says that the roofing works were carried out to a proper specification having regard to all conditions precedent to such a specification being issued and adhered to by a roofing contractor. The charges were competitive given the requirements for a contractor in these circumstances. Secondly, and relating to the preliminary costs these were the costs of administering the project. These preliminary costs refer to the site set up required to deliver the overall contract. They were not work specific but included things such as staff welfare provisions, site offices, site waste clearance and ICT, (computing facilities). The respondent says these are a necessary cost. They were set out as a separate item in the final accounts. The preliminary costs were calculated as a whole to deliver the contract not on a block by block basis. The Council then apportioned across the work values for the individual block to come to a value for the building
15. Professional fees cover the cost of buying in professional services that the respondent cannot provide itself or cannot claim to have the necessary expertise in dealing with various aspects of the contract works. This could cover external legal advice, clerking, building control and other more specialised professional activities. The respondent says the 9.13% is a globalised fee across the contract and is not specifically related to one building or leaseholder. Accordingly, the respondent asserts that as such a fee at the level of 9.13% is not an excessive amount and is reasonable in the circumstances of this particular contract.
16. The respondent asked the tribunal to note the exchange of emails set out in the trial bundle that showed the extent to which the respondent tried to deal with the applicants' concerns.

### **Decision**

17. The tribunal is required to consider several issues as listed at the start of this decision. Each is considered below.
18. Dealing first with the roofing works, these works covered the renewal of the coverings to the two rear addition roofs. These roofs were inspected and were found to be in need of renewal. (The main barrel roof was inspected at the time of the major works and was found to be in a very serviceable condition with the coverings having many years life expectancy). Bearing in mind that the two rears addition coverings were renewed the respondent believes that the works were appropriately and reasonable priced. The works were carried out and would have been subject to inspection for and on behalf of the respondent on completion.
19. In the Council's bundle the respondent produced at pages 253 and 254 a final account statement and then a revised final account statement for this property. The roofing costs in the unrevised statement were at the level of £2936.95 and yet these were revised upward to £3406.46 in the revised final account statement. The Tribunal did not see or hear any reasonable, acceptable or understandable explanation for this increase and in these circumstances the Tribunal do not consider this increase to be either fair or reasonable. Therefore the Tribunal orders that this amount be reduced down to the amount in the original final account statement in the sum of £2936.95, (thus approving a reduction in favour of the applicant in the sum of £469.51).
20. Secondly and with regard to the preliminary costs, this caused a particular difficulty for the applicant as many of the items did not seem to have any relevance to the applicant's property. These preliminary costs refer to the site set up required to deliver the overall contract and because the contract site involved several properties other than the block where the applicant resides it must seem that these items are not relevant to her. In some ways this is probably the case but in contracts of this type these charges are not unusual and in fact form a necessary part of such an agreement. The question for the Tribunal is how reasonable these charges are given the nature of the property and the work carried out there.
21. The respondent confirmed that this service charge was in two parts and much of the information and cost apportionment was provided by the contractor. The cost of £4827.28 is unreasonable and unfair as the respondent failed to make an appropriate and therefore reasonable deduction for preliminaries attributed to the window works that will no longer be part of the service charges. Therefore the Tribunal makes a reasonable adjustment that means the contribution payable by the applicant reduces from £629 to an amount of £444, (thus approving a reduction in favour of the applicant in the sum of approximately £185).. The reduction takes account of the preliminaries attributable to the window works that were removed from the service charges by the respondent.
22. Thirdly with regard to the professional fees, the Tribunal has considerable experience of service charges formed of professional fees. These are a common

charge in contracts such as was formed by the Council in relation to the major works carried out across its estate and which involved works to the property. The Tribunal accepts that professional charges are an acceptable and appropriate element of a contract such as was awarded by the respondent for the major works involved in this litigation.

23. What could be open to scrutiny is the level of these charges. The Tribunal has commonly seen professional charges in the region of 10 to 12.5% and has in cases before it approved these charges in that band. Therefore when encountering a charge level of 9.13% the Tribunal is able to approve this as fair and reasonable as it is close to the lesser or lower level of charges it regularly sees and approves in other matters involving service charges for major works programmes.
24. One final issue was that the respondent also maintained that the s.20 consultation process was flawed because her property was unfairly lumped in with many other unrelated properties. There is nothing to stop the Council from including several unrelated properties in a s.20 consultation process. It supposedly affords the local authority possible economies of scale by not having to replicate work and expense in numerous applications.
25. However it does mean that small and large properties are brought in together without regard to the number of tenants in each block. The unfortunate consequence is that this property, one of the smallest in the scheme, if not the smallest, becomes somewhat overshadowed by other larger blocks. Notwithstanding this there is nothing in the statutory scheme to stop the respondent from proceeding as it did and the consultation process was not flawed as a result. The applicant seemed to think that as her lease was only in respect of her property so the consultation or work should only relate to her property; plainly this is not so.

### **Application for a S.20c order**

26. It is the tribunal's view that it is both just and equitable to make an order pursuant to S. 20C of the Landlord and Tenant Act 1985. Having considered the conduct of the parties, their written submissions and taking into account the determination set out in the decision set out above, the tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act that 100% of the costs incurred by the respondent in connection with these proceedings should not be taken into account in determining the amount of any service charge payable by the tenant.
27. With regard to the decision relating to s.20C, the Tribunal relied upon the guidance made by HHJ Rich in *Tenants of Langford Court v Doren Limited* (LRX/37/2000) in that it was decided that the decision to be taken was to be just and equitable in all the circumstances. The tribunal thought it would not be just to allow the right to claim all the costs as part of the service charge. The s.20C decision in this dispute gave the tribunal an opportunity to ensure fair

treatment as between landlord and tenant in circumstances where costs have been incurred by the landlord and that it would be just that the tenant should not have to pay them.

28. As was clarified in *The Church Commissioners v Derdabi* LRX/29/2011 the tribunal took a robust, broad-brush approach based upon the material before it. The tribunal took into account all relevant factors and circumstances including the complexity of the matters in issue and all the evidence presented. The Tribunal also took into account all oral and written submissions before it at the time of the hearing.
29. It was apparent to the tribunal that there were significant accounting issues that were highlighted in this decision and which related specifically to the window works charges that was originally claimed in error. The window works charges were a significant element of the original charge and were only removed by the respondent at quite a late stage in these proceedings. The tribunal also noted the labyrinthine accounts that took a great deal of explaining and that the Tribunal had great difficulty in following. This opaque approach to accounting did not help in understanding the charges and certainly did not support the charges at first glance.
30. Accordingly it can be seen that the tribunal did take issue with elements of the conduct of the respondents and could see where the applicant was able to take issue with the conduct of the accounting process. The tribunal took careful note of the respondents' submissions but in the end felt that in the light of the above comments it would be just and equitable to proceed as set out above. For all these reasons the tribunal has made this decision in regard to the 20C application.

### **Application for costs**

31. An application was made by the Applicant under Rule 13 of the Tribunal Rules in respect of the Applicant's costs. The Tribunal subsequently received a schedule of costs and expenses incurred by the applicant in relation to the conduct of this litigation. The claim consisted of out of pocket expenses and the Tribunal application and hearing fees. The details of the provisions of Rule 13 are set out in the appendix to this Decision.
32. Before a costs decision can be made, the tribunal needs to be satisfied that there has been unreasonableness. At a second stage it is essential for the tribunal to consider whether, in the light of unreasonable conduct (if the tribunal has found it to have been demonstrated), it ought to make an order for costs or not. It is only if it decides that it should make an order that a third stage is reached when the question is what the terms of that order should be.
33. The applicant filed with the tribunal the applicant's written costs application and comments/observations thereon were requested of the Respondent and these were given orally at the hearing by Counsel for the respondent.



34. It now falls to us to consider the costs application in the light of the written and oral submissions before us. We do this but in the context of the circumstances of the original decision set out above.

### **Costs decision**

35. The tribunal's powers to order a party to pay costs may only be exercised where a party has acted "unreasonably". Taking into account the guidance in that regard given by HH Judge Huskinson in *Halliard Property Company Limited v Belmont Hall & Elm Court RTM, City and Country Properties Limited v Brickman LRX/130/2007, LRA/85/2008*, (where he followed the definition of unreasonableness in *Ridehalgh v Horsefield* [1994] Ch 205 CA), the tribunal was not satisfied that there had been unreasonable conduct so as to prompt a possible order for costs.
36. The tribunal was also mindful of a fairly recent decision in the case of *Willow Court Management Company (1985) Limited v Mrs Ratna Alexander* [2016] UKUT 0290 (LC) which is a detailed survey and review of the question of costs in a case of this type. At paragraph 24 of the decision the Upper Tribunal could see no reason to depart from the views expressed in *Ridehalgh*. Therefore following the views expressed in this recent case at a first stage the tribunal needs to be satisfied that there has been unreasonableness.
37. At a second stage it is essential for the tribunal to consider whether, in the light of any unreasonable conduct it has found to have been demonstrated, it ought to make an order for costs or not; it is only if it decides that it should make an order that a third stage is reached when the question is what the terms of that order should be.
38. In *Ridehalgh* it was said that "'Unreasonable" also means what it has been understood to mean in this context for at least half a century. The expression aptly describes conduct which is vexatious, designed to harass the other side rather than advance the resolution of the case, and it makes no difference that the conduct is the product of excessive zeal and not improper motive. But conduct cannot be described as unreasonable simply because it leads in the event to an unsuccessful result or because other more cautious legal representatives would have acted differently.
39. The *Willow Court* decision is of paramount importance in deciding what conduct might be unreasonable. I have mentioned the approach of the Upper Tribunal in this decision but I think it appropriate to quote the relevant section of the decision in full:-

*"An assessment of whether behaviour is unreasonable requires a value judgment on which views might differ but the standard of behaviour expected of parties in tribunal proceedings ought not to be set at an unrealistic level...."Unreasonable" conduct includes conduct which is vexatious, and designed to harass the other side rather than*

*advance the resolution of the case. It is not enough that the conduct leads in the event to an unsuccessful outcome. The test may be expressed in different ways. Would a reasonable person in the position of the party have conducted themselves in the manner complained of? Or Sir Thomas Bingham's "acid test": is there a reasonable explanation for the conduct complained of?"*

40. It seems to Tribunal that therefore the bar to unreasonableness is set quite high in that what amounts to unreasonableness must be quite significant and of serious consequence. This being so the Tribunal must now consider the conduct of the parties in this dispute given the nature of the judicial guidance outlined above.
41. The Applicant maintains that the Respondent was unreasonable in the conduct of the service charge dispute. The Respondent denies this as asserted that it had done all it could to conduct the litigation in a proper and effective manner.
42. The Tribunal was not satisfied that there was enough information or detail to persuade it that there had been unreasonable conduct on the part of the Respondent. Taking into account all that the parties have said about the case and the actions of the parties involved, the Tribunal cannot find evidence to match the high bar of unreasonable conduct set out above. The tribunal was therefore not satisfied that stage one of the process had been fulfilled in that it found there has been no unreasonableness for the purposes of a costs decision under Rule 13 on the part of the applicant. The conduct may have been verging on the finicky, slow or mistaken but it was not vexatious or such that following the legal tests the tribunal might consider such conduct unreasonable.
43. In the circumstances the tribunal determines that there be no order for costs pursuant to Rule 13.
44. However, Rule 13 does allow for the refund of Tribunal fees. Rule 13(2) states that

*"The Tribunal may make an order requiring a party to reimburse to any other party the whole or part of the amount of any fee paid by the other party which has not been remitted by the Lord Chancellor."*

There is no requirement of unreasonableness in this regard. Therefore in this case the Tribunal considers it appropriate that the Respondent refund the Applicant's fee payments of £300. The Tribunal does so bearing in mind the withdrawal of the window works charges and the awkward accounting documentation that in effect required the matter to be dealt with in front of this Tribunal.

45. In the circumstances the tribunal determines that there be an order for the refund of the application fee and the hearing fee in the combined sum of £300 pursuant to Rule 13(2).

**Name:** Judge Professor Robert  
M. Abbey

**Date:** 27 September 2019

## **Appendix of relevant legislation and rules**

### **Landlord and Tenant Act 1985 (as amended)**

#### **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 the appropriate 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 the appropriate 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.

### **20B Limitation of service charges: time limit on making demands.**

- (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 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 that tribunal;
  - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property 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.

### **The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013**

#### **Orders for costs, reimbursement of fees and interest on costs**

**13.**—(1) The Tribunal may make an order in respect of costs only—

- (a) under section 29(4) of the 2007 Act (wasted costs) and the costs incurred in applying for such costs;
- (b) if a person has acted unreasonably in bringing, defending or conducting proceedings in—
  - (i) an agricultural land and drainage case,
  - (ii) a residential property case, or
  - (iii) a leasehold case; or
- (c) in a land registration case.

(2) The Tribunal may make an order requiring a party to reimburse to any other party the whole or part of the amount of any fee paid by the other party which has not been remitted by the Lord Chancellor.

(3) The Tribunal may make an order under this rule on an application or on its own initiative.

(4) A person making an application for an order for costs—

- (a) must, unless the application is made orally at a hearing, send or deliver an application to the Tribunal and to the person against whom the order is sought to be made; and
- (b) may send or deliver together with the application a schedule of the costs claimed in sufficient detail to allow summary assessment of such costs by the Tribunal.

(5) An application for an order for costs may be made at any time during the proceedings but must be made within 28 days after the date on which the Tribunal sends—

(a) a decision notice recording the decision which finally disposes of all issues in the proceedings; or

(b) notice of consent to a withdrawal under rule 22 (withdrawal) which ends the proceedings.

(6) The Tribunal may not make an order for costs against a person (the “paying person”) without first giving that person an opportunity to make representations.

(7) The amount of costs to be paid under an order under this rule may be determined by—

(a) summary assessment by the Tribunal;

(b) agreement of a specified sum by the paying person and the person entitled to receive the costs (the “receiving person”);

(c) detailed assessment of the whole or a specified part of the costs (including the costs of the assessment) incurred by the receiving person by the Tribunal or, if it so directs, on an application to a county court; and such assessment is to be on the standard basis or, if specified in the costs order, on the indemnity basis.

(8) The Civil Procedure Rules 1998, section 74 (interest on judgment debts, etc) of the County Courts Act 1984 and the County Court (Interest on Judgment Debts) Order 1991 shall apply, with necessary modifications, to a detailed assessment carried out under paragraph (7)(c) as if the proceedings in the Tribunal had been proceedings in a court to which the Civil Procedure Rules 1998 apply

(9) The Tribunal may order an amount to be paid on account before the costs or expenses are assessed.

## **ANNEX - RIGHTS OF APPEAL**

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.