



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

Case reference : **LON/00BJ/LSC/2023/0006**

**HMCTS code
(paper, video,
audio)** : **P: PAPERREMOTE**

Property : **153C Mitcham Lane, London SW16 6NA**

Applicant : **Mrs Rebecca Wilson**

Representative : **In person**

Respondent : **Assehold Limited**

Representative : **Eagerstates Limited**

Type of application : **For the determination of the liability to
pay administration charges pursuant to
Schedule 11 of the Commonhold and
Leasehold Reform Act 2002**

Tribunal members : **Judge Tagliavini
Mr Kevin Ridgeway FRICS**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of decision : **10 May 2023**

DECISION

Decisions of the tribunal

- (1) The tribunal determines that the sum of £30 plus VAT only is payable by the Applicant in respect of each notice including (i) the notice of a new mortgage (ii) the notice of intention to sublet the subject property at 153C Mitcham Lane, London NW16 6NA ('the Property') and (iii) the notice of the grant of every (sub) tenancy and including a renewal.
- (2) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 so that none of the landlord's costs or administration charges of the tribunal proceedings may be passed to the lessees through any service charge.

The application

1. The Applicant seeks a determination pursuant to Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") as to the amount of administration charges payable by the Applicant in respect of the service charge year 2022.

The hearing

2. The application was decided on the papers provided to the tribunal in the form of a hearing bundle of 103 pages. Neither party requested an oral hearing.

The background

3. The property which is the subject of this application is a one-bedroom flat in a converted house comprising three flats.
4. The Applicant holds a long lease of the property dated 13 July 2015 which requires the Applicant to pay to the Respondent the sum of £30 under clause 3.7 of the lease for the registration of certain notices, including the intention to sub-let and the details of a new (sub) tenancy.

The issues

5. The tribunal identified the issues as set out in the Directions as:
 - (i) Whether the Applicant was obliged to pay the sum of £150 (this being the sum demanded) for registration of notice to sublet in 2022. The Applicant contends that only £30 was payable.

- (ii) Whether, if her tenants renew their tenancy agreement, a further £72 fee becomes payable to the Respondent (as the Respondent has indicated to her in correspondence).

The Applicant's case

6. The Applicant relies on clause 3.7 of the lease which states:

*Within four weeks next after any transfer assignment subletting charging or parting with possession (whether mediate or immediate) or devolution of the Demised Premises to give notice in writing of such transfer assignment subletting charging parting with possession or devolution and of the name and address and description of the assignee subtenant charge or person upon whom the relevant term or any part thereof may have devolved (as the case may be) and to deliver to the Landlord or his solicitors within such time as aforesaid a verified copy of every instrument of transfer assignment subletting charging or devolution and every probate letters of administration order of the Court or other instrument effecting or evidencing the same and **to pay the Landlord or his solicitors a fee of Thirty Pounds (£30.00) for the registration of every such notice together with Value Added Tax payable thereon at the current rate for the time being in force.****

** **Emphasis added***

7. The Applicant therefore contends, the only sum(s) payable are the £30 due under this clause for the registration of the required notice of subletting and the grant of a (sub) tenancy. The Applicant asserted that a fee of £30 had been paid by her solicitors as a fee for subletting as set out in the Completion Statement accompanying her solicitor's letter to the Respondent dated 29 March 2022. The Applicant asserted no other fee was due. On 18 May 2022, the Applicant submitted to the Respondent a copy of the new (sub) tenancy agreement.
8. In an email dated 23 May 2022 to the Respondent, the Applicant stated:

In accordance with clause 3.7 of the lease for 153C Mitcham Lane, I have provided you with:

....

notice of my intent to sublet the property (8 March 22)

a verified copy of the tenancy agreement within 4 weeks of letting (18 May 22)

paid £30 for the registration of the notice (on or before 29 March 22)

The only action from your “Letting Information” (Ref: AH47) document, sent on 8 Mar 22, that I have not completed, is payment of a notice fee of £108 (£90+VAT) as I can see no reference to this fee in the lease. Please can you identify the specific clause in the lease that covers this notice fee? You will note that I have previously requested this information in my correspondence dated 8 April 22.

The Respondent’s case

8. The Respondent relied upon the various letters sent to the Applicant including a letter demanding £150 plus VAT (increased from £120) said to be required in order to ‘receipt’ the notice of re-mortgage dated 29 March 2022 sent by the Applicant’s solicitors. No explanation was provided as to how the sum of £150 was reached despite repeated requests from the Applicant.

The tribunal’s decision and reasons

9. The tribunal finds that clause 3.7 of the lease requires the Applicant to pay to the Respondent the sum of £30 plus VAT for **every** notice of alteration to the original arrangements, under which she first was granted her long leasehold interest. Therefore, the tribunal finds the following sums are payable by the Applicant:
 - (i) Notice of re-mortgage: £30.00 plus VAT
 - (ii) Notice of intention to sub-let: £30.00 plus VAT
 - (iii) Notice of grant of (sub) tenancy (AST): £30.00 plus VAT
 - (iv) Grant of subsequent tenancies (including renewals): £30.00 plus VAT
10. Consequently, the tribunal finds the Applicant is required to pay the Respondent the sum of £108 (£90 plus VAT) in respect of items (i) (ii) and (iii) above. The tribunal finds the Applicant is required to pay £30 plus VAT for every notice that is required under clause 3.7. The tribunal finds the Applicant has not included VAT in her payment of £30 and has not paid the Respondent any subsequent sums of £30 plus VAT in respect of the other notices required under clause 3.7 of the lease.

11. Despite the finding above, the tribunal considers it reasonable and appropriate for an order under s.20c of the Landlord and Tenant Act 1985 and Schedule 11, paragraph 5 of the Commonhold and Leasehold Reform Act 2002 to be made. The tribunal considers the Respondent could easily have provided a more detailed explanation and breakdown of its charges in answer to the Applicant's reasonable enquiries and should have done so.

Name: Judge Tagliavini

Date: 10 May 2023

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).