



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

Case reference : LON/00AH/LSC/2024/0273

Property : Flat 22, Silchester Court, London Road,
CR7 6JD

Applicant : Silchester Court (Croydon)
Management Company Ltd

Representative : Mr Nick Wright

Respondent : Amina Yasmin

Representative : n/a

Type of application : Transfer from County Court for the
determination of the liability to pay
service charges under section 27A of the
Landlord and Tenant Act 1985

Tribunal members : Judge J Moate, Judge J Donegan and
Professional Member A Harris LLM
FRICS FCIArb

Venue : 10 Alfred Place, London WC1E 7LR

Date of decision : 22 April 2025

DECISION

Decisions of the tribunal

- (1) The Applicant's application to adjourn the hearing is refused.
- (2) The tribunal has no jurisdiction over the Respondent's admission of the amount of £12,237.19 in the County Court proceedings.
- (3) The tribunal determines that the balance of the service charges claimed in the sum of £7,174.03 is not payable by the Respondent.
- (4) The costs claimed in these proceedings in the sum of £5,202.28 are not payable as an administration charge. The County Court retains jurisdiction over County Court costs claimed in the same amount.
- (5) Since the tribunal has no jurisdiction over ground rent, interest, County Court costs and fees, this matter should now be referred back to the County Court.

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 charges and administration charges payable by the Respondent.
2. Proceedings were originally issued in the County Court Business Centre under claim no. J2AY6F8C on 22 September 2022. The claim was transferred to the County Court at Croydon and then in turn transferred to this tribunal, by order of District Judge Rowland on 14 May 2024.

The hearing

3. The hearing took place on 03 April 2025. The Applicant was represented by Nick Wright at the hearing and the Respondent appeared in person, accompanied by her partner. Also in attendance on behalf of the Applicant were Shipali Patel, Senior Property Manager at Cedar Harp of Sutherland House and Mr David Landy FRICS.

The background

4. The property which is the subject of this application is a third floor flat in a purpose-built development known as Silchester Court.
5. Neither party requested an inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.

6. The Respondent holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge.
7. The Claimant/Applicant issued proceedings in the County Court on 22 September 2022 making a claim for:
 - a) Service Charges £19,411.22
 - b) Administration Charges (Costs) £5,202.28
8. A Defence was filed on 19 October 2022. The Defence admitted the sum of £12,237.19 and made general comments regarding the Service Charges and costs.
9. On 11 June 2024 the County Court ordered that the proceedings be transferred to FTT for a determination in relation to the service charges and administration charges. Standard directions were issued to the parties on 15 July 2024. The directions provided for the completion of a schedule of disputed charges by both parties.
10. The parties partially complied with the directions in that the Applicant complied with the initial disclosure direction, and the parties completed a schedule of disputed charges.
11. The matter was listed for a final hearing on 15 November 2024. On 13 November 2024 the Applicant applied for an adjournment and for further time to serve its witness statements. The Respondent by email indicated that she opposed the application to adjourn but was not able to attend the hearing due to childcare commitments.
12. The Applicant filed an incomplete bundle on the day before the hearing. It did not include all demands for the years in question and did not include all s.20 notices and estimates served in respect of the alleged works. The Applicant did not attend the hearing but instructed counsel, Mr Brittain, to attend to repeat its request for an adjournment and for an extension of time to comply with the directions. Mr Brittain was not instructed to represent the Applicant in respect of the substantive application.
13. The Tribunal considered that it could not proceed in the absence of either party but that it would be in the interests of justice for there to be a determination in relation to the service charges and administration charges before the matter was transferred back to the County Court. The Tribunal therefore adjourned the hearing with directions, the following of which are relevant to this hearing:

Preparation for the hearing by both parties

The Applicant's case

3. The Applicant must by 16 December 2024 deliver (by email) to the Respondent, if it has not done so already:

a) A breakdown of all the charges (Service and Administration Charges) claimed in the county court proceedings;

b) Service Charge accounts for the years in question;

c) Copy demands for Service/Administration charges for the years in question.

Copies of all statutory consultation notices and estimates served in relation to the works set out in D above.

...

17. If the Applicant fails to comply with these directions the Tribunal may debar it from taking any further part in the proceedings before the Tribunal and may determine all issues against it.

The law

14. The relevant legal provisions are set out in the appendix to this decision.

The preliminary issue

15. At the start of the hearing the tribunal asked Mr Wright to identify the following:

- (i) The service charge years for which a determination was sought and where this was set out in the Applicant's statement of case;
- (ii) A breakdown of all the charges (service and administration charges) claimed in the County Court proceedings as required by the order of Judge N O'Brien dated 15 November 2024.

16. In respect of (i) Mr Wright referred the tribunal to the Particulars of Claim [12] dated 28 September 2022 which set out the following:

9. The Defendant has failed to pay the sums that have been demanded for and on behalf of the Claimant. Such sums are due from the Defendant in accordance with the terms of the Lease (as set out above). The arrears, as shown on the Statement of Account, attached herewith as Annex 3, currently total £19,481.22.

...

And the Claimant claims

(i) Arrears in the sum of £19,481.22 for the period 31 August 2022 to 31 August 2022

17. Mr Wright acknowledged that there was a typographical error with the date but submitted that the arrears claimed were as set out at Annex 3.
18. Annex 3 is a statement of account with numerous half yearly service charge and sinking fund balances marked B/f (brought forward) dated between 1 January 2020 and 1 July 2022 [34]. These total £19,411.22. Annex 3 does not identify the dates of the service charges that have been brought forward. Mr David Landy FRICS on behalf of the Applicant submitted that the charges brought forward went back to 2016 and that they had arisen under the previous managing agent.
19. The tribunal observed that this was not apparent from the statement of case, which Mr Wright conceded. The tribunal further observed that in preparation for the hearing, Tribunal Judge N O'Brien had ordered the Applicant to deliver a breakdown of all the charges (service and administration charges) claimed in the County Court proceedings. This would have clarified for the tribunal and the respondent both the service charge dates and the service charge items in respect of which a determination was sought.
20. Mr Wright conceded that a breakdown would have been useful and acknowledged that there was no such breakdown in the bundle. The Respondent confirmed that she had not received the breakdown of charges. Mr Wright accepted that the Applicant had not complied with paragraph 3 of the Order of Tribunal Judge N O'Brien and that he would have to "fall on his sword".
21. The tribunal observed that without a breakdown of the service charge dates and items in respect of which a determination was sought, it seemed unlikely that the Applicant would be able to make out its claim. It was not for the tribunal to piece together the Applicant's case and in

any event such an exercise would be unfair on the Respondent as she would not have had an opportunity to consider the case against her and respond.

22. In the light of this observation, the tribunal allowed the parties a short break to consider their positions.

The application to adjourn

23. After the break, Mr Wright made an application for “*one final adjournment*” of the hearing on the basis that a) it was in the interests of justice, b) there would be significant prejudice to the Applicant if the matter was not adjourned as it may not be able to recover its service charges and c) there was limited prejudice to the Respondent because she would just have to attend on another day.
24. The Respondent opposed the adjournment on the basis that she found the proceedings extremely stressful; they had been ongoing since 2022 and she was in poor health, with anxiety and spinal issues. She had a child with autism who, because of the proceedings, had to attend breakfast club and afterschool club. She had travelled by train, which she had not done for two years, to attend the hearing. She could not afford to engage a solicitor, she had four children and she was trying to survive.

The tribunal’s decision

25. The Applicant’s application to adjourn is refused.

Reasons for the tribunal’s decision

26. This is the Applicant’s second application to adjourn, the first having been had made at the last hearing, which was listed for one day before Tribunal Judge N O’Brien on 15 November 2024. The first application was made because the bundle was incomplete, and the Applicant had not complied with the directions.
27. At that hearing, the Judge gave clear directions as to what was needed for an effective trial. The Judge further ordered that if the Applicant failed to comply with the directions the Tribunal may debar it from taking any further part in the proceedings and may determine all issues against it.
28. In breach of the directions, the Applicant failed to provide a breakdown of all the charges (service and administration charges) claimed in the County Court proceedings. The charges breakdown is fundamental to the

Applicant's case because the pleaded case does not set out either the service charge dates, or the service charge items in dispute.

29. Mr Wright was unable to give an explanation as to why the breakdown of charges had not been provided.
30. Taking into account all of these factors including the prejudice to the Respondent, the anticipated costs and resources of the parties and of the tribunal and applying the overriding objective in Part 1 (3) of The Tribunal Rules¹ the tribunal considers that it is not proportionate for this hearing to be adjourned a second time.

The service charges in dispute

31. In light of paragraph 17 of the order of Tribunal Judge N O'Brien the tribunal considered whether to strike out the Applicant's case under Section 9 (3) (a) of the Tribunal Rules. It invited submissions on strike out.
32. Mr Wright submitted that paragraph 17 did not say that the Applicant would be struck out if it didn't comply but rather that they may be debarred from taking part in the proceedings and that the tribunal may determine all issues against it. Mr Wright proposed that the amount of the Respondent's part-admission be hived off and the balance of the disputed sum be dismissed or no longer proceeded with.

The tribunal's decision

33. The tribunal determines that the Applicant's case is not struck out but that the service charges sum in dispute is not payable except for the admitted sum of £12,237.19.
34. **The total service charge sum in dispute is £19,411.22. The admitted amount is £12,237.19. The balance, which the tribunal determines is not payable, is £7,174.03.**

Reasons for the tribunal's decision

35. The tribunal does not have jurisdiction over the admitted sum in the County Court proceedings.
36. The Applicant is unable to prove its claim as to the balance of the service charges as they have failed to provide a breakdown of the service charges

¹ The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013

claimed in the County Court proceedings as required by the order of Judge N O'Brien dated 15 November 2024.

The administration charges (costs) in dispute

37. The administration charges claimed in the sum of £5,202.28 are the litigation costs of these proceedings; they have not yet been formally demanded as an administration charge.
38. Mr Wright conceded that the tribunal did not have jurisdiction over the County Court costs (claimed in the same amount of £5,202.28) and accepted that these would need to be referred back to the County Court.

The tribunal's decision

39. **The costs claimed in these proceedings in the sum of £5,202.28 are not payable as an administration charge.**

Reasons for the tribunal's decision

40. The litigation costs of £5,202.28 are not currently payable as an administration charge as they have not yet been formally demanded.
41. The County Court retains jurisdiction over the County Court costs in the same amount.

The next steps

42. The tribunal has no jurisdiction over ground rent, interest or County Court costs. This matter should now be returned to the County Court at Croydon.

Name: Judge Moate

Date: 22 April 2025

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).

Appendix of relevant legislation

Landlord and Tenant Act 1985 (as amended)

Section 18 Meaning of “service charge” and “relevant costs”

- (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 Limitation of service charges: reasonableness

- (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 Liability to pay service charges: jurisdiction

- (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.

Commonhold and Leasehold Reform Act 2002

Schedule 11

Part 1

Reasonableness of Administration Charges

Meaning of “administration charges”

- 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.

Reasonableness of administration charges

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

....

Notice in connection with demands for administration charges

- 4(1) A demand for the payment of an administration charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to administration charges.
- (2) The appropriate national authority may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.
- (3) A tenant may withhold payment of an administration charge which has been demanded from him if sub-paragraph (1) is not complied with in relation to the demand.
- (4) Where a tenant withholds an administration charge under this paragraph, any provisions of the lease relating to non-payment or late payment of administration charges do not have effect in relation to the period for which he so withholds it.

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

Striking out a party’s case

- 9. - (1) The proceedings or case, or the appropriate part of them, will automatically be struck out if the applicant has failed to comply with a direction that stated that failure by the applicant to comply with the direction by a stated date would lead to the striking out of the proceedings or that part of them.
- (2) The Tribunal must strike out the whole or a part of the proceedings or case if the Tribunal –

- (a) does not have jurisdiction in relation to the proceedings or case or that part of them; and
 - (b) does not exercise any power under rule 6(3)(n)(i) (transfer to another court or tribunal) in relation to the proceedings or case or that part of them.
- (3) The Tribunal must strike out the whole or part of the proceedings or case if -
 - a) the applicant has failed to comply with a direction which stated that failure by the applicant to comply with the direction could lead to the striking out of the proceedings or case or that part of it;
 - (b) the applicant has failed to co-operate with the Tribunal such that the Tribunal cannot deal with the proceedings fairly and justly;
 - (c) the proceedings or case are between the same parties and arise out of facts which are similar or substantially the same as those contained in a proceedings or case which has been decided by the Tribunal;
 - (d) the Tribunal considers the proceedings or case (or part of them), or the manner in which they are being conducted, to be frivolous or vexatious or otherwise an abuse of the process of the Tribunal; or
 - (e) the Tribunal considers there is no reasonable prospect of the applicant's proceedings or case, or part of it, succeeding.
- (4) The Tribunal may not strike out the whole or a part of the proceedings or case under paragraph (2) or paragraph 3(b) to (e) without first giving the parties an opportunity to make representations in relation to the proposed striking out.
- (5) If the proceedings or case, or part of them, have been struck out under paragraph (1) or (3)(a), the applicant may apply for the proceedings or case, or part of it, to be reinstated.
- (6) An application under paragraph (5) must be made in writing and received by the Tribunal within 28 days after the date on which the Tribunal sent notification of the striking out to that party.
- (7) This rule applies to a respondent as it applies to an applicant except that -
 - (a) a reference to the striking out of the proceedings or case or part of them is to be read as a reference to the barring of the respondent from taking further part in the proceedings or part of them; and
 - (b) a reference to an application for the reinstatement of proceedings or case or part of them which have been struck out is to be read as a reference to an application for the

lifting of the bar on the respondent from taking further part in the proceedings; or part of them.

- (8) If a respondent has been barred from taking further part in proceedings under this rule and that bar has not been lifted, the Tribunal need not consider any response or other submission made by that respondent, and may summarily determine any or all issues against that respondent.