FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**HAV/00ML/LSC/2025/0718**
Property	**:**	Flat 1, 73 Wish Road, Hove, Brighton BN3 4JB
Applicant	**:**	Krigland Limited (landlord)
Representative	**:**	Claire Whiteman (Dean Wilson LLP solicitors)
Respondents	**:**	June Patricia Compton (tenant)
Representatives	**:**	Claude Compton
Tribunal Member(s)	**:**	Judge M Loveday Mr E Shaylor MCIEH Mr A Crawford
Date of hearing/venue	**:**	25 June 2025 (Brighton Tribunal Centre)
Date of decision	**:**	25 July 2025

DETERMINATION

Introduction

1. This determination relates to service charges and administration charges arising from a lease of Flat 1, 73 Wish Road, Hove, Brighton BN3 4JB. The charges formed part of a claim for payment in the County Court (claim no. K13YX664) which were transferred to the Tribunal for determination by an order of DDJ Harris on 14 November 2024. The application was dealt with under flexible judicial deployment on 25 June 2025, with the Tribunal Judge also sitting as a judge of the County Court to decide the aspects of the claim within the court's exclusive jurisdiction.

2. At the conclusion of the hearing, the Tribunal gave its decisions orally in accordance with rule 36(1) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013. The Court then made orders consequential upon that determination.

3. The Tribunal has already provided a written decision notice under rule 36(2)(a) of the procedure rules. These are the written reasons for that decision.

Facts

4. The Tribunal application relates to service charges and administration charges payable under the Lease, which is dated 6 June 2018. The premises comprise a substantial former medical surgery on a corner plot on basement, ground and first floors. Flat 1 is a 2-bedroom flat located on the basement and ground floors.

5. The Tribunal was provided with a copy of the Lease. During the hearing, Ms Whiteman referred briefly to the provisions relating to service charges (in particular, the definitions of "Service Charges", "Service Costs" and "Services" in clause 1.1, and the obligation to pay a service charge in para 2 of Sch.4). But in the event, nothing eventually turned on these provisions.

6. The applicant is the registered freehold owner of the premises, and the respondent is the registered leasehold proprietor of Flat 1. At all material times, the applicant's registered office has been The Courtyard, Shoreham Road, Upper Beeding, Steyning, West Sussex, United Kingdom, BN44 3TN. The applicant retains Pepper Fox Management Ltd as managing agents for the premises, which carries on business at 100-102 Church Road, Hove BN3 2EB.

7. The County Court claim sought payment of ground rents of £750 together with service charges of £2,691.37 and administration charges of £804:

31/08/2020	Ground rent: Balance brought forward		£250.00	
31/08/2020	Service Charges: Balance brought forward	£1,368.89		
30/09/2020	Service Charges: 29/09/2020 -24/03/2021	£398.12		
03/06/2021	Ground rent: 01/07/2021 -31/12/2021		£250.00	
23/09/2021	Service Charges: 25/03/2021 - 24/09/2022	£398.12		
23/09/2021	Service Charge: 29/09/2021 - 24/03/2022	£398.12		
23/09/2021	Legal fees			£804.00
04/04/2022	Service Charges: 23/03/2022 - 28/09/2022	£398.12		
03/06/2022	Ground Rent: 01/06/2022-31/12/2022		£250.00	

8. At the hearing, the applicant was represented by Ms Claire Whiteman of Dean Wilson LLP. The respondent was represented by her son, Mr Claude Compton. Both referred to the provisions of s.47 Landlord and Tenant Act 1987 and s.20B(1) Landlord and Tenant Act 1985. Copies of these provisions are attached in the Appendix to this determination.

Service charges

9. The main issue was payability of the service charges set out above.

Evidence

10. The application bundle included a witness statement from Ms Samatha Scammell of Pepper Fox dated 7 May 2025. In the light of the disputed demands, the Tribunal indicated that Ms Scammell should give evidence and that Mr Compton should have the opportunity to cross-examine and challenge this evidence of fact.

11. Ms Scammell clarified that the "issue date" on Pepper Fox's demands meant the date the demands were first sent to the tenants. She accepted that when Pepper Fox was first instructed, they were advised that the landlord was Krigland Holdings Limited. There may therefore have been an incorrect reference to the landlord in early demands, but demands had been sent out in the correct name of Krigland Ltd since at least January 2021. Ms Scammel was unable to say when the details of the landlord's address were changed on the system. She confirmed that copies of corrected demands were attached to the Statement of Case:

- A statement dated 14 August 2020, which referred to the service charge balance of £1,363.89 and an interim service charge of £398.12. In turn, the figure of £1,363.89 comprised (1) an interim charge of £426.00 dated 29 September 2018 for the period 29 September 2018 to 24 March 2019, (2) an interim charge of £424.88 dated 25 March 2019 for the period 25 March 2019 to 28 September 2019 (3) and an interim charge of £424.88 dated 29 September 2019 for the period 29 September 2019 to 24 March 2020 (4) less credit given for payments made by the respondent.
- Demands for interim service charge payment with issue dates of 30 September 2020 (£398.12), 23 September 2021 (£398.12), 23 September 2021 (£398.12) and 4 April 2022 (£398.12).
- In each case the four demands attached to the Statement of Case gave the applicant's correct name and registered office, together with statements that (1) this was the applicant's address "Pursuant to the Landlord and Tenant Act 1987 sections 47 and 48" and (2) "All notices (including notice of proceedings) should be served upon the landlord at their stated registered office".

12. None of the above was challenged in cross-examination.

The applicant's case

13. Ms Whiteman relied on a skeleton argument dated 24 June 2025. She submitted there was very little between the parties. She referred to a statement of account dated 14 August 2020, which showed that the "balance brought forward" (£1,368.89) related to unpaid interim service charges for the period 29 September 2018 to 28 September 2020. The four later charges (£398.12) were interim service charges for the period 29 September 2020 to 28 September 2022.

14. As to statutory limitations on the recovery of service charges, Ms Whiteman accepted that some demands contained errors. For example, a service charge statement dated 14 August 2020 gave "the address at which notices (including notices in proceedings) may be served" as the agent's place of business. A solicitor's letter and demand dated 13 November 2021 also incorrectly named the landlord as "Kingsland Holdings Ltd". However, these errors had all later been corrected, and she referred to a further solicitor's letter and demand dated 31 August 2022 which gave the correct name of the landlord and its registered office address.

15. Ms Whiteman accepted that for the purposes of s.47 of the 1987 Act, any demand must be accompanied by the correct name and address of the landlord. However, any default was remedied by 31 August 2022.

16. As to the argument under s.20B of the 1985 Act, the earlier demands were also validated by service of the later demands which complied with s.47 of the 1987 Act: *Johnson v County Bideford Ltd* [2013] L. & T.R. 18.

17. Moreover, all sums due in the proceedings were sums payable in advance for budgeted service charges. As such, s.21B did not "bite" on the relevant costs.

The respondent's case

18. Mr Compton relied on the respondent's statement of case dated 24 April 2025 and a skeleton argument dated 24 June 2025. In oral argument, he raised three main arguments.

19. First, he argued the applicant had "retrospectively altered" the relevant service charge demands. Initially, he accepted there was no evidence to show any document was "altered", as opposed to being replaced with a later demand giving the applicant's correct details. However, after Ms Scammell gave evidence, Mr Compton suggested the information in the demands had gone "backwards and forwards", and that the information could therefore have been changed retrospectively.

20. Secondly, Mr Compton argued the applicant failed to comply with s.47 of the 1987 Act until 31 August 2022. As a result, no enforceable demand had been served prior to that date. The applicant's position that earlier non-compliant demands triggered interest or liability was not supported in law.

21. Thirdly, he relied on s.20B(1) of the 1985 Act. The interim service charges for the period 29 September 2018 to 28 September 2020 were "time barred" under s.20B(1) of the 1985 Act. The applicant had conceded that no compliant notices under s.47 was served until 31 August 2022 and later s.47 compliance cannot retrospectively revive charges barred by s.20B(1). The applicant was therefore wrong to suggest that later compliance with s.47 of the 1987 Act "revived" earlier charges which were barred by s.20B(1) of the 1985 Act. Compliance with s.47 only corrected a procedural defect in the format of a demand and it did not override the substantive legal time limit imposed by s.20B(1) of the 1985 Act. If charges were not notified to tenants within 18 months of being incurred by a landlord, the costs were irrecoverable — regardless of whether s.47 was later complied with or not.

Findings of fact

22. As to when the service charges were originally demanded, there is little direct evidence of the dates involved. The Tribunal has only been shown copies of later replacement demands. But it accepts Ms Scammell's evidence about the demands, and from this most of the original dates they were claimed is tolerably clear. Four of the replacement demands give dates they were first "issued", namely 30 September 2020 (£398.12), 23 September 2021 (£398.12), 23 September 2021 (£398.12) and 4 April 2022 (£398.20).

23. As to the earlier "balance", of £1,368.89, the statement of 14 August 2020 suggests this included interim service charges of £1,275.76 which were also originally demanded before August 2020. There is little direct evidence of the dates these charges were first demanded because the Tribunal has only been shown copies of later replacement demands. The statement of 14 August 2020 suggests the interim charges for the period 29 September 2018 to 24 March 2019 were demanded on 29 September 2018, the interim charges of £424.88 for the period 25 March 2019 to 28 September 2019 were demanded on 25 March 2019 and that the interim charges of £424.88 for the period 29 September 2019 to 24 March 2020 were demanded on 29 September 2019. On balance, the Tribunal accepts these were the dates each charge was first demanded.

24. As to the form of the service charge demands, the Tribunal rejects any suggestion that the demands in the hearing bundle have been changed retrospectively. The applicant's explanation is much more plausible, namely that older demands have simply been replaced with more recent ones to ensure compliance with the 1987 Act. Mr Compton was unable to identify two versions of the same document to show how they were otherwise "altered", and there is no obvious benefit for the agents or solicitors in fabricating evidence.

25. As explained, it is common ground that some of the demands did not originally comply with s.47 of the 1987 Act: see, for example, the 14 August 2020 statement referred to above. The Tribunal further accepts the applicant's evidence that the agents' management system was corrected at some stage between September 2021 and August 2022 to show the correct landlord details, and this new information was contained in the demands re-issued and sent to the respondent under cover of the solicitor's letter of 14 August 2022. The evidence on this point is also corroborated by an email from the solicitors on 29 September 2022 which states that a recent service charge demand had given "the correct name of the Freeholder".

Discussion

26. The Tribunal finds that s.47 of the 1987 Act was complied with in August 2022. The demands referred to above were re-issued on 14 August 2022 with all the information required by s.47(1) of the 1987 Act. One can assume this information was "furnished" to the respondent for the purposes of s.47(2) of the 1987 Act when it would have been received in the ordinary course of post (say on 15 August 2022).

27. Turning now to s.20B(1) of the 1985 Act, this requires specific assessments of (1) the date a "demand for payment" was made in relation to relevant costs and (2) the date that those material "relevant costs … were incurred". Section 20B(1) is engaged in the event the period between these two dates is more than 18 months.

28. The Tribunal has no hesitation in rejecting the suggestion that as part of this assessment, s.47 of the 1987 Act requires it to ignore any previous demands for payment that did not include sufficient details of the landlord. In *Johnson v County Bideford Ltd* [2013] L. & T.R. 18 at [8], the President stated that:

> "8. It is the lessees' case that a service charge demand which does not comply with s.47(1) is not a valid demand and cannot therefore be treated as "a demand for payment of the service charge" within the meaning of s.20B(1). [The solicitor for the tenant] submitted that the invoices sent to the lessees on which the landlord relied were not demands for the purposes of these provisions because they were not demands from the landlord. I cannot accept this. They were documents requiring the payment of sums due to the landlord under the terms of the tenancies, and the fact that they were sent by the landlord's management company did not mean that they were not demands. In the event that they were held to be demands, but deficient ones, [the tenant] submitted that there were two ways in which the deficiencies could have been corrected. One way was to serve notice under s.47. If that were done it might be that it would have some kind of retrospective effect. The other way was to serve fresh demands. It was this latter course that the landlord chose to take. But the fresh demand was not a notice for the purposes of s.47(2). [The tenant's solicitor] drew attention to cl.6(v) of the standard lease, which provides that the rules about serving notices in s.196 of the Law of Property Act 1925 applied to any notice given under the lease. I can see no reason at all, however, why the notice contemplated by s.47(2) should not be contained within a later demand, and I accept [the landlord's] submission that the demands of June 2011 were sufficient for this purpose".

Mr Compton sought to suggest that the facts of this case were different to *County Bideford*, since "no … valid notification was made within 18 months". But that is another question altogether. There is binding authority that late compliance with s.47 requirements does not affect the validity of a "demand for payment" for the purposes of the first part of the s.20B(1) assessment.

29. The effect of this is that under s.20B(1) of the 1985 Act, time only ran until the date of the earliest demands. The Tribunal's findings on the dates of the earliest demands is at paras 24-25 above. In each case, the demands were not later than 18 months after the period covered by the demand.

30. In any event, the interim service charges in this matter were based on estimated expenditure, not actual relevant costs which had been "incurred". There is again authority to the effect that s.20B(1) does not apply where (1) tenants have made on account payments of their service charges (2) the landlord's actual expenditure did not exceed the estimated amount on which the service charges were based and (3) the landlord did not serve any further demand on the tenant. In such a situation, there is no "demand for payment" after the incurring of costs to which s.20B(1) could apply: *Gilje v Charlegrove Securities Ltd* [2004] 1 All ER 91. Although *Gilje* has since been distinguished in *Skelton v DBS Homes (Kings Hill) Ltd* [2018] 1 WLR 362, CA, it remains unaffected on the point.

31. In short, the Tribunal rejects the respondent's argument based on s.20B(1) of the 1985 Act.

32. In the premises, the Tribunal determines under s.27A of the 1985 Act that the respondent is liable to pay to the applicant the service charges set out in paras 24-25 above amounting to £2,956.37.

Costs

33. This issue solely relates to the legal fees of £804.

34. The applicant referred to the provisions of para 7 of Sch.4 to the Lease which provides that the respondent shall pay "on demand the costs and expenses (including any solicitors' surveyors' or other professionals' fees, costs and expenses and any VAT on them) properly incurred by the Landlord… in connection with or in contemplation of: (a) the enforcement of any of the Tenant Covenants; (b) … any proceedings under either of these sections [ss.146 and 147 Law of Property Act 1925]"

notwithstanding that forfeiture is avoided otherwise than by relief granted by the court. It also referred to para 16 of Sch.4 which required the respondent "To indemnify the Landlord against all claims, liabilities, costs, expenses (including any solicitors' surveyors' or other professionals' costs and expenses and any VAT on them, assessed on a full indemnity basis) … arising out of or in connection with any breach of any of the Tenant Covenants". The costs are said to have been incurred in connection with or in contemplation of the enforcement of the respondent's service charge covenants.

35. The respondent seeks to limit costs under para 5A of Sch.11 of the Commonhold and Leasehold Reform Act 2002 and there is a similar application under s.20C of the 1985 Act. The principles upon which the Tribunal determines both kinds of applications are very similar: *Rana v Maitland Court Ltd* [2024] UKUT 122 (LC) at [8]. The respondent argues that (1) the costs arose from the applicant's own errors, not from any breach by the respondent (2) a full and reasonable payment was offered in October 2022, which the applicant unreasonably rejected (3) that internal and external warnings about account inaccuracies were ignored; Formal notices contained material errors, including misnaming and misaddressing and that (4) no genuine attempt was made to resolve matters without litigation.

36. The correct approach to s.20C was comprehensively dealt with in *Conway v Jam Factory* [2013] UKUT 0592 (LC) at [51-58], where Deputy President Martin Rodger QC reviewed all the relevant authorities and summarised the approach involved. As explained, similar principles apply to para 5A applications.

37. The starting point is that the applicant has a contractual right to its costs. Moreover, it has succeeded completely in the application. These weigh very heavily indeed. The Tribunal was not given any detailed history of attempts to settle, but it is doubtful much weight can be attached to them in relation to either a s.20C or para 5B application. The issue of the account inaccuracies with the s.47 information is dealt with above, and it has not proved fatal to the recovery of the service charges. In short, the applications to limit costs are rejected.

Decisions

38. The Tribunal determines under s.27A of the 1985 Act that the respondent is liable to pay to the applicant service charges of £2,956.37 due under the lease dated 6 June 2018.

39. The Tribunal determines under para 5 of Sch.11 to the 2002 Act that the respondent is liable to pay the applicant administration charges of £804 due under the lease dated 6 June 2018.

40. The Tribunal determines under para 5 of Sch.11 to the Commonhold and Leasehold Reform Act 2002 that the respondent is liable to pay the applicant administration charges of £804 due under the lease dated 6 June 2018.

41. No order is made under s.20C Landlord and Tenant Act 1985 or under para 5A of Sch.11 to the 2002 Act.

42. The time for any party to apply for permission to appeal under rule 52(2) does not run until these written reasons are sent to the parties.

Tribunal Judge Mark Loveday
25 July 2025

Appeals

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

APPENDIX

LANDLORD AND TENANT ACT 1985

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.

LANDLORD AND TENANT ACT 1987

47 Landlord's name and address to be contained in demands for rent etc.

(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 the 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 include the receiving of 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.