



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

Case reference : **LON/ooAH/LLC/2024/0601**

Property : **31 The Woodlands, Beulah Hill, Upper Norwood, London SE19 3EQ**

Applicant : **Eric Capital UK Limited**

Representative : **Oxbridge Solicitors**

Respondents : **The Woodlands Beulah Hill Limited**

Representative : **KDLaw**

Type of application : **Application under Sch. 11, para 5A of the Commonhold and Leasehold Reform Act 2002**

Tribunal member : **Judge Tagliavini**

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

Date of decision : **9 December 2025**

DECISION

Decisions of the tribunal

- (1) The tribunal finds the legal costs sought by the respondent in the sum of **£8,396.00** are not payable by the applicant for the reasons set out below.
- (ii) The tribunal makes an order under s.20C of the Landlord and Tenant Act 1985 so that none of the respondent's costs of or arising from this application can be added to the service charges.
- (iii) The tribunal makes an order under Sch. 11, para 5A so that none of the respondent's costs of or arising from this application can be sought from the applicant.

The application

1. The applicant seeks a determination under Para 5 Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") as to whether administration charges in the sum of **£8,396.00** arising in respect of proceedings and the service of a Notice of Forfeiture in the sum of are payable to the respondent.
2. The applicant also seeks an order for the limitation of the landlord's costs in the proceedings under section 20C of the Landlord and Tenant Act 1985 ("the 1985 Act") and an order to reduce or extinguish the tenant's liability to pay an administration charge in respect of litigation costs, under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.
3. By an Order of DRTJ Martynski dated 1 April 2025, the applicant's application in respect of costs arising in the County Court under Claim No: LOQZ84Q3 are struck out.

The background

2. It is useful to set out a summary chronology of the relevant facts pertaining to this application:

12 June 2024 – County Court judgement for the claimant landlord in the sum of £25, 881.29 for debt arising from arrears of service charges and interest) and £1,287.82 for costs (£27,169.11 total).

19 July 2024 – service by respondent of s.146 Notice of Forfeiture seeking payment of sum of £35,359.67 inclusive of

judgement debt of £27,169.11 and a further sum of £8,396.60 in costs.

25 July 2024 – payment of £27,169.11 by applicant extinguishing judgement debt.

2 August 2024 – the sum of £8,396.00 paid without prejudice to his right to challenge their payability.

9 December 2024 – application (dated 9/12/2024) made to the application pursuant to Schedule 11 of the Commonhold and Leasehold Reform Act 2002 ('the 2002') seeking a determination of the payability of the costs of £8,396.00.

The hearing

5. Neither party requested an oral hearing and therefore the tribunal determined the application using the 335 digital bundle provided by the applicant.

The tribunal's decision and reasons

6. In reaching its decision the tribunal had regard to the parties' representations and supporting documents contained in the digital bundle.

7. The applicant did not seek to challenge the payment of administration charges (legal costs) under the terms of the lease. The applicant challenged the reasonableness of the respondent's conduct in incurring the sum challenged and the reasonableness of the amount of those costs and provided statements in support of its submissions in addition to witness statements from Peter Jeremy Bowring (Director) on behalf of the applicant.

8. The respondent provided written submissions in addition to a Schedule of the disputed costs together with an explanation for the relevant fee earner and grade in the witness statement of Amy Kennedy, solicitor at KDL Law dated 14 May 2025. In that statement Ms Kennedy informed the tribunal that:

I can confirm that the sum of £8,369.60 is broken down as follows:

a) Legal Costs - £6,502.00

b) VAT on above - £1,300.40

c) Process Server Fee - £420.00 (inclusive of VAT)

d) Interest - £144.20 5.

The legal costs were incurred in the period from issue of the proceedings up to and including the letter to the Applicant's solicitor on 26 July 2024 . This also includes time liaising with the Applicant's solicitors throughout and preparation and service of the Section 146 Notice.

8. The tribunal finds the costs of the county court proceeding were dealt with by a summary assessment of costs up to and including 12 June 2024. Had the claimant landlord in those proceedings wished to recover the full costs of that litigation, it was open to the landlord or its solicitor to seek a detailed assessment of its costs but failed to do so. The tribunal determines it has no jurisdiction to determine the costs incurred by the respondent in the County Court proceedings pursuant to the provisions of CPR 44.
9. Therefore, the tribunal finds only the costs arising from the date of the service of the s.146 Notice on 19 July 2024 until the satisfaction of the judgement debt in full (including costs and interest) on 26 July 2025, fall within the jurisdiction of the tribunal. In the s.146 Notice the respondent asserted the applicant had breached the terms of the lease having failed to pay charges and costs in the sum of £27,169.11. However, the tribunal notes the Notice relies on the payment of the judgement debt and the further sum of £8,369.60 as being required to remedy the breach of the terms of the lease and avoid forfeiture. The tribunal finds that cannot be correct, as the respondent landlord is only entitled to rely on the breach of the terms of the lease found proven pursuant to s.81 of the Housing Act 1996, which states:
 - (a) *it is finally determined by (or on appeal from) the appropriate tribunal or by a court, or by an arbitral tribunal in proceedings pursuant to a post-dispute arbitration 300 agreement, that the amount of the service charge or administration charge is payable by him, or;*
 - (b) *the tenant has admitted that it is so payable.*
10. The non-payment of £8,369.60 was not found to be a breach of the terms of the lease in the County Court proceedings. The respondent would not therefore, be entitled to rely upon the non-payment of this sum in any proceedings for forfeiture it may have subsequently decided to initiate.

11. The tribunal determines that it has jurisdiction to determine administration charges (legal costs) arising after 26 July 2024 as these were not the subject of the proceedings in the County Court.
12. The tribunal finds the reasonable costs incurred by the respondent in the period 19 July 2024 and 26 July 2024 (inc.) cannot reasonably amount to £8,369.60. Further, the tribunal finds the respondent has failed to provide a detailed breakdown of dates/times when these costs in this short period were incurred, by whom or for what activity. Consequently, the tribunal is unable to determine what, if any costs were reasonably incurred by the respondent in this period.
13. The tribunal determines that it has jurisdiction to determine administration charges (legal costs) arising after 26 July 2024 as these were not the subject of the proceedings in the County Court.
14. Therefore, the tribunal determines the costs of £8,369.60 are not payable by the applicant to the respondent.
15. In view of its findings above the tribunal finds it is just and equitable to make an order under s.20C of the Landlord and Tenant Act 1985 so that none of the respondent's costs of or arising from this application can be added to the service charges.
16. Further, the tribunal considers it is just and equitable to make an order under Sch. 11, para 5A so that none of the respondent's costs of or arising from this application can be sought from the applicant.

Name: **Judge Tagliavini** **Date:** **9 December 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 should be made on Form RP PTA available at <https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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).