FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00AP/LAC/2025/0611**
Property	**:**	**Flat 4, 2 Dickenson Road, London N8 9EN**
Applicant	**:**	**Thomas Lepire and Laura Loosens**
Representative	**:**	**Stephen Willmer of counsel instructed by Streathers Highgate LLP**
Respondent	**:**	**Grey Clyde Investments Limited**
Representative	**:**	**Shaiba Ilyas of counsel instructed by Freemans Solicitors**
Type of application	**:**	**An application under Paragraphs 3 and 5 of schedule 11 of the Commonhold and Leasehold Reform Act 2002**
Tribunal	**:**	**Judge Adrian Jack and Judge Stewart**
Date of Decision	**:**	**16th December 2025**

DECISION

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1. By an application dated 10th June 2025, the applicant tenants seek a determination as to whether a demand for £25,000 made by the respondent landlord as a condition of the grant of permission to carry out certain works is valid. The applicants further seek an order under section 20C of the Landlord and Tenant Act 1985 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.

2. The property is a first floor flat in a converted terrace house. It is common ground that at some point in the past, predating the ownership of the flat by the applicants and their vendor and also predating the

respondent's ownership of the freehold, an internal wall was removed in the flat, so as to knock the kitchen and living room into one open plan room. The wall which had been removed had been a load-bearing wall. In March 2024, the applicants became concerned that the beams which the previous owners had put in were not sufficiently strong and needed replacing. The engineer's plans dated 3rd August 2024 show where the new beams were to be installed. One end of each beam was to be placed 100mm into the external wall.

3. The flat is demised by a lease dated 19th July 2002 for a term of 125 years from Christmas Day 2001, however, this lease is merely an extension of an earlier 99 year lease granted on 28th September 1973. It is this earlier lease which contain the relevant terms applicable to the later lease.

4. This earlier lease provides in the first recital as follows:

> "(c) The expression 'the flat' shall mean the flat hereby demised known as Flat 4, First Floor, 2, Dickenson Road in the London Borough of Islington and shall include the fixtures and fittings therein (other than Tenant's fixtures and fittings) the easements rights and privileges set forth in the First Schedule hereto.
>
> (d) The expression 'the Building' shall mean Number 2, Dickenson Road, Islington, aforesaid.
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> (e) The 'Retained Property' shall mean those parts of the building not included in the demise of any flat in the building and shall include the following,
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> (i) The structural parts of the Building including the foundations, roof, external walls, party walls and other external parts of the Building but excluding the glass in the windows of the flat and the interior faces of the external walls and the ceiling as bound the flat,
>
> (ii) The main entrance, hall, passages landing and staircases of the Building used in common by the Landlord and the Tenants of the flats in the Building. wires and conduits not used solely for the purpose of any one flat in the Building and the dustbin and meter areas."

5. By clause 2(7) of the earlier lease, the tenants are bound:

> "Not at any time during the said term without the Licence in writing of the Landlord which shall not be unreasonably withheld to cut or injure or permit to be cut or injured to make any structural alterations to any of the mainwalls or timbers of the flat unless for the purpose of repairing and making good any defect therein and not to alter or permit to be altered the plans layout height or elevation of the flat or the architectural appearance or the architectural decoration thereof and not to erect or permit to be erected any internal, partitions for dividing rooms and not at any time during the said term to fix or permit to be fixed any

projecting flue pipe fan or ventilator on or through the external face of the walls or windows of the flat."

6. The landlord has indicated that it consents to the works proposed by the tenants, but it demands a premium of £25,000 as a condition for the giving of consent. We need to determine whether this sum can properly be demanded under the lease or whether it is administrative charge which is not properly payable. Schedule 4 to the 1973 lease allows various legal and surveyor's costs to be charged by what are now described under the Commonhold and Leasehold Reform Act 2002 as administrative charges, but these sums are not in dispute and are not before us for determination.

7. Mr Ilyas for the landlord argues as follows:

> "11. ...[T]he works that the Applicants wish to undertake extend <u>beyond their demise</u> as they include the following works:
>
> (1) Removing a timber beam or beams that have already been embedded into the ceiling of the flat as a result of unauthorised works carried out by a former leasehold owner and replacing the same with a further timber beam (also embedded in the ceiling of the flat), to support the floor of the flat above and the building generally (following the removal of the load bearing wall which previously separated the kitchen from the living room within the flat);
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> (2) Embedding timber beams into the masonry wall on either side of the opening that has been created between the kitchen and the living room of the flat to support the replacement timber beam that is to be embedded in the ceiling of the flat in the course of the Applicants' proposed works.
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> 12. It is clear that the intended timber beam will be embedded into an external wall and ceiling.
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> 13. As stated, the demise of the flat only extends to the internal faces of the external walls and ceilings (and not beyond that).
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> 14. Thus the Respondent's requirement that the Applicants pay the sum of £25,000 for its consent to the proposed alterations is **<u>not</u>** an administration charge 'in connection with the grant of approvals under [their] lease...' (paragraph 1(1)(a) of Schedule 11 of the Commonhold and Leasehold Reform Act 2002).
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> 15. Accordingly the Respondent is entitled to charge whatever sum it wants in the event that the Respondent is willing to grant consent (which it is not obliged to do).
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> 16. Therefore any proposed works that extend beyond the demise constitute a permanent trespass (and more importantly, for the

purposes of the present application, do not fall within the scope of clause 2(7))."

8. We agree that some of the proposed works involve works to the "Retained Property". However, in our judgment clause 2(7) is not limited solely to works within the demise of the flat. This can be seen most clearly in the closing words of the clause which allow the tenants (subject to obtaining a licence, which is not to be unreasonably withheld) "to fix or permit to be fixed any projecting flue pipe fan or ventilator on or through the external face of the walls… of the flat." This necessarily involves the tenant making a hole through the external walls, which are part of the "Retained Property" and thus outside the demise.

9. However, this extension to parts of the "Retained Property" is not limited in our judgment only to making holes for flues etc. The reference to "any structural alterations to any of the mainwalls or timbers of the flat" cannot sensibly be limited, as Mr Ilyas submitted, solely to internal walls. On the contrary, any structural alterations will almost certainly involve works to parts of the "Retained Property".

10. Mr Ilyas pointed out, correctly, that recital (c), set out above, provides that the "expression 'the flat' shall mean the flat hereby demised known as Flat 4…" However, an external wall would in our judgment still be in anyone's parlance one of the "mainwalls… of the flat". A mainwall of the flat does not need to be within the demise of the flat.

11. The landlord had a further argument as to the extent to which a licence was required for works under clause 2(7). Mr Willmer for the tenants summarises the argument in this way:

> "Then, at paragraph 17 of the Respondent's Statement of Case [clause 2.7] is parsed. The Respondent says that the clause is, in effect, broken into two parts. The first, it says, deals with cutting, injuring and structural alterations – being a fully qualified covenant which it accepts means it cannot unreasonably withhold its consent to such works. The second, it says, deals with altering or permitting to be altered the plans, layout etc. of the flat – being, it says, an unqualified covenant and therefore such work is absolutely forbidden.
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> This distinction is submitted to be a false one. Were it otherwise, then clause 2(7) would in fact be broken up into clauses 2(7)(a) and 2(7)(b). Or there would be some syntactical break in the sentence – and clause 2(7) is a single sentence – to distinguish its concluding words from the standard opening words of 'not without the landlord's permission, which is not unreasonably be withheld'.
>
> In any event, it is manifestly absurd to suggest that there is, in the manner for which the Respondent contends, a material distinction operating within clause 2(7). What the Respondent

says are two materially distinct groups of work – on the one hand cutting, injuring, structural alterations and, on the other hand, altering the plans or layout of the flat – are in fact a sequential list of items describing much the same things in slightly different ways."

12. We respectfully agree. Indeed, although Mr Ilyas did not formally abandon the point, he did not press it.

13. It follows that in our judgment the proposed works are subject to clause 2(7). This means that the tenants require a licence, but that the landlord cannot unreasonably refuse a licence. There is no issue that that landlord is willing to grant a licence. The sole question is whether the landlord can demand a premium for doing so.

14. Since the works are subject to clause 2(7), in our judgment it follows that the monies can only be demanded if they are an administrative charge due under the lease. There is in our judgment no term of the lease which permits such a sum to be raised. Costs under Schedule 4 are actual costs, whereas the £25,000 is not a cost at all: it is a windfall, if it is payable. We have rejected the landlord's argument that the works are "absolutely prohibited" (see para 17 of the Respondent's Case). It follows that the £25,000 is "for or in connection with the grant of approvals under [the] lease, or applications for such approvals." As such it cannot be justified and we disallow the amount completely.

15. We should add for completeness that the demand for the £25,000 was not made in statutory form, with a statement of tenant's rights and obligations. It would thus not be payable on this ground (if it were otherwise payable). However, the failure to serve the statutory statement is something which can be remedied.

16. As to costs, the Tribunal has a discretion as to the fees payable to the Tribunal by the applicants. These comprise an issue fee of £114 and a hearing fee of £227, a total of £341. In our judgment the respondent has lost and should repay the applicants that sum.

17. As to section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002, again the applicants have won and it not right that they should have to pay the respondent's legal fees.

18. We give directions as to any other costs applications.

DETERMINATION

(a) The sum of £25,000 in dispute is not recoverable.
(b) The respondent shall pay the applicants £341 in respect of the fees payable to the Tribunal.
(c) The respondent, pursuant to section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 to the

Commonhold and Leasehold Reform Act 2002, be barred from recovering the legal and other costs of the current proceedings against the applicants.

(d) Any party seeking any other costs order shall by 9th January 2026 serve on the Tribunal and on the other side its submissions in support.

(e) The responding party may then by 30th January 2026 serve on the Tribunal and on the initiating party its or their submissions in answer.

(f) The initiating party may then by 13th February 2026 serve on the Tribunal and on the responding party its or their submissions in reply.

(g) The Tribunal will then determine the costs issues on paper unless it otherwise orders.

Signed: Adrian Jack **Dated: 16th December 2025**