FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case references	:	**LON/00AM/LSC/2025/0678**
Property	:	**Flat 3, Alexander Grove, London, N12 8HE**
Applicants	:	**Acorn Accumulation Limited**
Representative	:	**Mr Marcus Croskell of Counsel instructed by Johnson May Solicitors**
Respondent	:	**Dalescope Limited**
Representative	:	**Mr Ian Brown, Property Manager**
Type of application	:	**For a determination in respect of the reasonableness and payability of service charges & administration charges**
Tribunal members	:	**Judge N Hawkes** **Mr A Parkinson MRICS**
Venue and date of hearing	:	**24 March 2026 by CVP Video**
Date of decision	:	**2 April 2026**

DECISION

Decisions of the Tribunal

(1) The application dated 19 February 2025 made by the Applicant under paragraph 5A of schedule 11 of the Commonhold and Leasehold Reform Act 2002 concerning the costs of the County Court proceedings with claim numbers K48YX624 and L03EC184 ("the County Court

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proceedings") is stayed until **4 pm on 24 June 2026** to give time for all aspects of the County Court proceedings to be finally determined. The Tribunal heard no evidence in respect of this application, which concerns the costs of separate proceedings. Accordingly, this application is not reserved and may be determined by a differently constituted Panel.

(2) The parties must by **4 pm on 24 June 2026**, send the Tribunal an update concerning the County Court proceedings together with proposed Directions to take effect on the lifting of the stay, to be agreed if possible.

(3) The Tribunal otherwise makes the findings under the various headings below.

(4) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the Respondent's costs of these Tribunal proceedings may potentially be passed to the Applicant through any service charge.

(5) The Tribunal makes an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 extinguishing the Applicant's liability, if any, to pay an administration charge in respect of the Respondent's costs of these Tribunal proceedings.

(6) The Tribunal makes an order under Rule 13(2) of Tribunal Procedure (First-Tier Tribunal)(Property Chamber) Rules 2013 requiring the Respondent to, within 28 days of the date of this decision, reimburse the Tribunal fees in the sum of £110 paid by the Applicant.

The applications

1. The matters before this Tribunal are as follows:

   (i) An application dated 20 February 2025 in which the Applicant seeks a determination under section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the reasonableness and payability of the service charges claimed by the Respondent landlord in respect of the service charge years 2022, 2023 and 2024 and a set off in which it is claimed that the Respondent is in breach of repairing covenant.

   (ii) An application dated 19 February 2025 under paragraph 5A of schedule 11 of the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") concerning the costs of County Court proceedings, which are yet to be demanded.

(iii) An application made by the Applicant under section 20c of the 1985 Act and under paragraph 5A of schedule 11 to the 2002 Act, concerning the costs of these Tribunal proceedings.

(iv) An application made by the Applicant under rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("the 2013 Rules") for the reimbursement of Tribunal fees relating to these proceedings.

2. On 10 September 2025, the Tribunal issued Directions (which were subsequently amended) leading to a final hearing.

The hearing

3. The final hearing took place by CVP video on 24 March 2026. The Applicant was represented at the hearing by Mr Croskell of Counsel. Mr Croskell was accompanied by Mr Declan Page, the Applicant's UK Property Agent. The Respondent was represented by Mr Brown, the Respondent's Property Agent.

The background

4. The Applicant is a private limited company incorporated in the British Virgin Islands and the leasehold owner of a ground floor studio flat known as Flat 3, 29 Alexandra Grove, London, N4 2LQ ("the Property") under HM Land Registry title no. AGL299500.

5. The Tribunal was informed that the Applicant has sublet the Property to periodic tenants.

6. The address for the Applicant which is noted on the title register is PO Box 790, Orpington, BR6 1EX ("the Post Office Box"). The relevant terms of the Applicant's lease of the Property ("the Lease") will be referred to below.

7. The Respondent is the freehold owner of 29 Alexandra Grove under HM Land Registry title no. LN222480 and has, at all material times, been the Applicant's landlord.

The Tribunal's determinations

The application dated 20 February 2025 pursuant to section 27A of the 1985 Act

8. A document titled "Appendix 4" sets out the issues which the Applicant wishes the Tribunal to determine. These issues include whether the service charge demands were validly served. This was also identified as an issue to be determined in the Tribunal's Directions dated 10 September 2025.

9. Further, at paragraph 11 of Mr Page's witness statement dated 1 December 2025, Mr Page states:

"The Applicant requests that the charges are considered in light of the Respondent failing to validly demand the charges within the 18-month statutory deadline. I therefore submit that the charges are not lawful."

10. Accordingly, the Respondent was on notice that this was the Applicant's position.

11. At clause 4(iv) within the mutual covenants the Lease provides:

"That any notice hereby required or authorised to be given to the Lessor or Lessee respectively shall be in writing and may be given in any of the modes provided by section 196 of the Law of Property Act 1925 with respect of notices to be given to Landlords or Tenants (as the case may be) under that Act."

12. Mr Croskell referred the Tribunal to *Southwark LBC v Akhtar* [2017] L & TR 36 and stated that the bar for establishing service of the service charge demands is relatively low because the Respondent has to prove delivery but not receipt.

13. Subsections 196(4) and 196(5) of the Law of Property Act 1925 provide that certain notices are deemed to have been served if sent by registered post:

"(4) Any notice required or authorised by this Act to be served shall … be sufficiently served, if it is sent by post in a registered letter addressed to the lessee, lessor, mortgagee, mortgagor, or other person to be served, by name, at the aforesaid place of abode or business, office, or counting-house, and if that letter is not returned by the postal operator (within the meaning of Part 3 of the Postal Services Act 2011) concerned undelivered; and that service shall be deemed to be made at the time at which the registered letter would in the ordinary course be delivered.

(5) The provisions of this section shall extend to notices required to be served by any instrument affecting property executed or coming into operation after the commencement of this Act unless a contrary intention appears."

14. Section 7 of the Interpretation Act 1978 provides that certain notices are deemed to have been served if they have been sent by ordinary post, unless the contrary is proved: Where an Act authorises or requires any document to be served by post (whether the expression "serve" or the expression "give" or "send" or any other expression is used) then, unless the contrary intention appears, the service is deemed to be effected by properly addressing, pre-paying and posting a letter containing the document and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

15. The only evidence which was put before Tribunal by the Respondent concerning service was hearsay evidence from Mr Shlomo Grosskopf in the form of a witness statement. Mr Grosskopf did not attend the hearing to potentially give oral evidence.

16. At paragraph 3 of the witness statement, Mr Grosskopf says that he is the Managing Director of the company which is the Respondent's Managing Agent and, paragraph 17, he says of the Post Office Box: *"The above address is the address that the Respondent served demands/statements/notices to."*

17. No information is provided concerning the manner in which service was purportedly effected. Accordingly, there was no witness evidence before the Tribunal that the relevant service charge demands in these proceedings were placed in a properly addressed envelope; that the postage was paid for; and that the demands were posted.

18. There was also no evidence before the Tribunal that any system was in place which might potentially make it more likely than not that the relevant service charge demands were placed in a properly addressed envelope; that the postage was paid for; and that the demands were posted.

19. It is not in dispute that Mr Brown was able to establish that the relevant service charge demands were validly served on the Applicant's solicitor on 27 October 2025, in accordance with the Tribunal's Directions (as amended) in these proceedings. However, having carefully considered the hearsay evidence contained in the hearing bundle, the Tribunal was not satisfied on the balance of probabilities that the relevant service charge demands were validly served on the Applicant before 27 October 2025.

20. Section 20B of the 1985 Act provides:

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.

21. It was not suggested that subsection 20B(2) applies in the present case and so Mr Brown accepted (as he had no option but to do) that, in light of the Tribunal's findings at paragraph 19 above, he could not argue that the Applicant is liable to pay the service charges which have been claimed by the Respondent in respect of the service charge years 2022 and 2023.

22. The Tribunal finds that no service charges are payable by the Applicant in respect of the service charge years 2022 and 2023 because the relevant costs were incurred more than 18 months before a demand for payment was served on the Applicants.

23. As regards the service charge year 2024, in the Scott Schedule the Applicant sought to challenge "expenses recharges", when the Tribunal has no jurisdiction to carry out an account. The only service charge item challenged in the Scott Schedule is Management Fees in the sum of £200.

24. After the Tribunal had determined that no service charges are payable by the Applicant in respect of the years 2022 and 2023, the Applicant agreed to pay this sum and, by section 27A(4)(a) of the 1985 Act, the Tribunal therefore has no jurisdiction to make a determination concerning the reasonableness and/or payability of this 2024 service charge item.

25. Mr Croskell applied orally on behalf of the Applicant pursuant to Rule 22(1)(a) of the 2013 Rules for consent to withdraw the Applicant's proposed set off due to the low value of the service charge that the set off could potentially apply to in light of the Tribunal's findings concerning the years 2022 and 2023. The Tribunal consented to the withdrawal of the proposed set off, which was not opposed by the Respondent. Mr Croskell stated that the Applicant reserves the right to potentially make a stand alone claim for damages.

The application dated 19 February 2025 concerning the costs of County Court proceedings

26. The Applicant has made an application dated 19 February 2025 under paragraph 5A of schedule 11 of the Commonhold and Leasehold Reform

Act 2002 concerning the costs of County Court proceedings with claim numbers K48YX624 and L03EC184.

27. The Tribunal was informed that, following a hearing before HHJ Evans-Gordon sitting at the County Court at Central London, a decision is awaited concerning the costs of an appeal.

28. Neither the hearing bundle nor a supplemental bundle (which was admitted in evidence by agreement) contain documents such as the pleadings in the County Court proceedings. Further, it is premature to hear evidence and argument concerning this application before the County Court proceedings have been finally determined.

29. Accordingly, the application dated 19 February 2025 is stayed until 4 pm on 24 June 2026 to give time for all aspects of the County Court proceedings to be finally determined.

30. The Tribunal heard no evidence or substantive argument in respect of this application which concerns separate Court proceedings, which have not been referred to this Tribunal. Accordingly, this application is not reserved and may be determined by a differently constituted Panel.

31. The parties must by 4 pm on 24 June 2026, send the Tribunal an update together with proposed Directions to take effect on the lifting of the stay, to be agreed if possible.

The applications under section 20C and paragraph 5A and for the reimbursement of Tribunal fees

32. Section 20C of the 1985 Act provides that a tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a Residential Property Tribunal are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.

33. Paragraph 5A of Schedule 11 to the 2002 Act provides that:

(1) A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.

(2) The relevant court or tribunal may make whatever order on the application it considers to be just and equitable.

34. The question for the Tribunal under both section 20C and paragraph 5A is what is "just and equitable". These provisions provide the Tribunal with a wide discretion to exercise having regard to all the circumstances of the case.

35. Neither party could point to any relevant offers of settlement. Although Mr Brown asserted that he had made offers to enter into settlement discussions to which he received no response, his correspondence was not in fact sent to the Applicant's solicitors who were on the record as acting for the Applicant in these proceedings. Accordingly, we do not place weight on this correspondence.

36. Having considered all the circumstances of the case and the degree of the success of the Applicant, who has obtained a substantial reduction in the payable service charge, the Tribunal is satisfied, in all the circumstances, that it is just and equitable to make the orders sought by the Applicant under section 20C of the 1985 Act and under paragraph 5A of Schedule 11 to the 2002 Act.

37. For the same reason, the Tribunal makes an order under Rule 13(2) of the 2013 Rules requiring the Respondent to, within 28 days of the date of this decision, reimburse the Tribunal fees in the sum of £110 paid by the Applicant.

Name: Judge N Hawkes **Date:** 2 April 2026

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).