



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

<b>Tribunal Case references</b>	:	<b>LON/00AY/LSC/2025/1169 and LON/00AY/LAC/2025/0626</b>
<b>Property</b>	:	<b>Flat 3 47 Clapham Common Northside SW4 0AA</b>
<b>Applicant</b>	:	<b>47 Northside Ltd</b>
<b>Respondents</b>	:	<b>Margaret Gillian Philippa O'Neill and David Christopher Wyatt</b>
<b>Type of application</b>	:	<b>Determination of Service Charges and Administration Charges</b>
<b>Tribunal Judge</b>	:	<b>Judge Purcell Judge Powell</b>
<b>Date of Decision</b>	:	<b>22 April 2026</b>

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**DECISION**

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**The Decision of the Tribunal**

- A. The Tribunal has made findings in relation to the payability and reasonableness of the 2025 interim service charges and administrative charges as set out in this Decision as follows:
- (a) The 2025 interim service charge in the sum of £4,911.30 is reasonable and payable by the Respondents to the Applicant in full.
  - (b) The administration charges are recoverable in the sum of £3,356.20 representing a 50% reduction in the claimed sum for the reasons set out in this Decision.

**The background to the application**

1. The Applicant is the freehold owner/Landlord of 47 Clapham Common Northside SW4 0AA ("**the Building**") registered at the Land Registry under title number SGL272980. The Applicant is a lessee owned company which became the freehold owner of the Building on or around 19.12.2002. The

Respondents are the leaseholder owners/tenants of Flat 3 47 Clapham Common Northside London SW4 0AA (“**the Property**”).

2. The Respondents occupy the Property by virtue of a 999-year lease dated 17 December 2014 between (1) 47 Northside Limited and (2) David Christopher Wyatt and Margaret Gillian Philippa O’Neill (“**the 2014 Lease**”) registered at the Land Registry under title number TGL414210. The 2014 Lease has been extended and was a surrender of the original lease under which the Respondents occupied the Property for 99 years, dated 6 February 1984 between (1) Lennox Allan Walker and Others and (2) Geraldine Patricia L’Anson and registered under title number SGL396989 (“**the Original Lease**”) and a grant of the 2014 Lease. The 2014 Lease adopted the same terms as the Original Lease and the service charges and costs recoverable and the mechanism for the calculation, apportionment and collection are set out in the Original Lease. Both the 2014 Lease and the Original Lease are referred collectively as “**the Lease**” in this Decision.
3. An application was previously made to this Tribunal for the determination and payability of service charges in 2024 under reference LON/00AY/LSC/2024/0673 (“**the 2024 application**”). The 2024 application was resolved between the parties.
4. There have been two previous determinations before the Tribunal between the same parties relating to the Property and regarding to the reasonableness and payability of service charges. The first determination is dated 14 March 2022 with case reference LON/00AY/LSC/2021/071 (“**the First Determination**”) and the second determination is dated 14 February 2024 with case reference LON/00AY/LSC/2023/0287 (“**the Second Determination**”).
5. This matter consists of two applications as follows: -
  - An application under section 27A(1) of the Landlord and Tenant Act 1985 (“**the 1985 Act**”) for the Tribunal to determine the payability and reasonableness of interim service charges for 2025 of £4,911.30 for the 2025 service charge year under case reference LON/00AY/LSC/2025/1169; and
  - An application under case reference LON/00AY/LAC/2025/0626 for payment of administration charges totalling £6,712.40 which relate to costs arising out of the 2024 application.
6. The Applicant claims the sums of £4,911.30 for the interim service charges for 2025 (“**2025 service charges**”) and the administration charges relating to legal costs of £6,712.40 (“**the administration charges**”) incurred in relation to the 2024 application are due and payable under the terms of the Lease.
7. The Respondents position is that the 2025 service charges and the administration charges are not payable as they own the freehold of the Building and other property under “*the title absolute SGL396989*”. The Respondents

also challenge costs in relation to the lift in the Building. In the Respondents skeleton argument, they say as follows:

- (a) In relation to the administration charges *“even if the Tribunal finds the charges are in principle recoverable, the Respondents invite scrutiny of the reasonableness of the sum of £6,712.40, having regard to the complexity of the 2024 Application, which was ultimately settled.”*
- (b) In relation to the 2025 service charges *“Without prejudice to the Respondent’s primary position that no service charge is payable for the reasons set out above, the Respondents also dispute the reasonableness of the interim service charges demanded for 2025 in the sum of £4,911.30”*
- (c) In relation to the lift maintenance charges *“the Respondents maintain the objections previously raised. The new lift was installed without Listed Building Consent, which constitutes a serious criminal offence in respect of this Grade II listed building. Works carried out unlawfully cannot properly be recovered through the service charge. The Respondents reserve the right to develop this point further in oral submissions.”*

8. A hearing took on 1 April 2026. Both parties were in attendance. The Applicant was represented by Ms Robyn Cunningham of Counsel. Three witnesses attended of behalf of the Applicant (Dr Smith and Mr England are both directors of the Applicant and Mr Newman is employed by the Applicant’s managing agent Willmotts) and gave oral evidence, in addition to their written witness evidence. The Respondents attended themselves.
9. The Tribunal opened the hearing by explaining to the parties that the Tribunal has jurisdiction in relation to the reasonableness and payability of the service charges and the administration charges, but its jurisdiction does not go beyond that. The Tribunal cannot investigate allegations of fraud or title issues. Issues raised by Respondents in both applications also seek to open issues that have been previously litigated before and decided by this Tribunal which cannot be redetermined in these proceedings.
10. The Tribunal has before it and has read hearing bundles from both the Applicant and Respondent as well as a “Core Bundle” prepared by the Applicant. Both parties produced skeleton arguments and made oral submissions. The Respondents asked a number of questions by way of cross examination of the Applicant’s witnesses. The Tribunal also asked questions of both parties and the witnesses to clarify the issues in dispute.

## Lease Terms

11. Under the terms of the Lease the Respondents are required to pay one seventh of the Total Expenditure as defined in the Fifth Schedule of the Lease. Under Clause 4(4) of the Lease the Respondents covenanted to:

*“Pay the Interim Charge and the Service Charge at the times and in the manner provided in the Fifth Schedule with both such charges being recoverable in default as rent in arrear”*

12. Under clause 3(1) of the Lease the Respondents covenanted to *“Pay the rents hereby reserved without deduction”*

13. The “Interim Charge” is defined at paragraph 1(3) of the Fifth Schedule as:

*“such reasonable sum to be paid on account of the Service Charge in respect of each Accounting Period as the Lessor or Managing Agents shall specify at their discretion to be a fair and reasonable interim payment in accordance with the provisions of the Housing Act 1980 so long as the same may be in force”*

14. Pursuant to paragraph 1(2) of the Fifth Schedule the “Service Charge” is defined as “such fraction of the Total Expenditure as is specified in Paragraph 7 of the Particulars”.

15. The “Total Expenditure” is defined as follows:

*“the total expenditure incurred by the Lessor in any Accounting Period in carrying out their obligations under Clause 5(5) of the Lease and any other costs and expenses reasonably and properly incurred in connection with the Building including without prejudice to the generality of the foregoing (a) the reasonable cost of employing Managing Agents (b) the proper cost of any Accountant or Surveyor employed to determine the Total Expenditure and the amount payable by the Lessee hereunder”*

16. The Landlord’s obligations are contained in Clause 5 of the Lease and include obligations to repair, maintain and insure the Building. Clause 5(5)(l) states that the Landlord is to do as follows:

*“To set aside (which setting aside shall for the purposes of the Fifth Schedule hereto be deemed to be an item of expenditure of the Lessor) in a bank or building society trust account earning interest such sums of money as the Lessor shall reasonably expect to incur of replacing*

*maintaining and renewing those items which the Lessor has hereby covenanted to replace maintain or renew which are not normal annual expenditure”*

17. Clause 6 of the Lease makes provision for forfeiture and clause 3(9) contains a covenant that the Lessee pay the Lessor:

*“all reasonable costs charges and expenses including proper Solicitors’ Counsels’ and Surveyors’ costs and fees at any time during the said term incurred by the Lessor in or in contemplation of any proceedings in respect of this Lease under Sections 146 and 147 of the Law of Property Act 1925 or any re-enactment or modification thereof including in particular all such reasonable costs charges and expenses of and incidental to the preparation and service of a notice under the said Sections and of and incidental to the inspection of the Demised Premises and the drawing up of Schedules of Dilapidations such reasonable costs charges and expenses as aforesaid to be payable notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court”*

## **The Law**

18. Under section 19 of the LTA 1985 it says as follows:

*“(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 provision 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....”*

19. Section 27A of the LTA 1985 gives this Tribunal jurisdiction to determine the reasonableness and payability of service charges.

## **Reasons for Decision**

### **Lift Maintenance Costs**

20. The Respondent has disputed the recoverability of lift maintenance costs of £480. The issue of the recoverability of the lift maintenance costs was previously decided by Tribunal in the Second Determination. The Respondents did not raise issues regarding the reasonableness of the lift maintenance charge but instead argued that the lift was installed without building consent, the

works were therefore illegal, and they should not pay anything towards the lift. The Applicant argues the issue has already been determined in the Second Determination. The Tribunal has read the Second Determination and notes the issue of the lift maintenance costs were addressed in that Decision. At paragraph 35 of that Decision, it said as follows:-

*“the Tribunal accepts the submission that the lift was part of the “Common Parts” as defined in the 1984 Lease (and adopted in the 2014 Lease) and that the Applicant, as landlord, is accordingly obliged to maintain it and keep it in good and substantial repair and condition (under clause 5(5)(a)(iii)) and can recover the costs of doing so under the terms of the Lease as service charge.”*

21. The matter has already been litigated and decided and although this was not accepted by the Respondents they cannot relitigate the same issues repeatedly. The principle of res judicata applies here which means that when an issue has already been decided it is prevented from being litigated again between the same parties.

### **2025 Interim Service Charges**

22. The Applicants argue the 2025 service charges are reasonable and payable pursuant to the terms of the Lease. The Applicants note the arguments raised by the Respondents and said in the Skeleton Argument as follows:

*“The Respondent’s Statement of Case and witness statement made unfounded and immaterial allegations against the Applicant and the various other persons and entities. These allegations are outside the jurisdiction of the FTT and are not relevant to these proceedings.”*

23. Mr Newman gave evidence on behalf of the Applicant. When asked by the Tribunal what the 2025 estimated costs were based on and how those costs were arrived at Mr Newman confirmed that they were based on the actual costs incurred in previous years and various contracts the Applicant had in place.

24. In the Scott Schedule completed by both parties the Respondents said as follows:

*“We believe we don’t have to pay these service charges because we own the title absolute SGL396989 (see witness statement for full details)”*

25. The Respondents say in their Skeleton Argument as follows:

*“Without prejudice to the Respondents’ primary position that no service charge is payable for the reasons set out above, the Respondents also dispute the reasonableness of the interim service charges demanded for 2025 in the sum of £4,911.30.....*

*The Respondents note that no certified accounts for 2025 have been produced. The Applicant relies on a budget and a recent statement of account. The Respondents are unable to verify the reasonableness of the sums demanded without sight of proper supporting documentation”*

26. The Respondents clearly felt very strongly about their arguments and seemed to not understand that they were responding to two applications made against them regarding the reasonableness and payability of the 2025 interim service charge and the administration charge. At the hearing the Tribunal explained the nature of the applications against the Respondents and took them to the 2025 budget showing the estimated service charge expenditure for service charge year 2025 and asked for their comments on the reasonableness of the estimated charges. When taken to the budget the Respondents said some of costs did not seem reasonable (including but not limited to the cleaning, carpet cleaning, drainage, window cleaning, professional fees and insurance), but the Respondents did not produce any evidence that went to the issue of the reasonableness of the 2025 interim service charges in their documents, submissions or when given the opportunity to cross examine the Applicant’s witnesses. The Respondents when cross examining the Applicant’s witnesses mainly focused their questions on matters outside the jurisdiction of the Tribunal, such as the title issues and issues relating to the management of the freehold company.
27. The Tribunal confirmed the position regarding its jurisdiction and relevance of the arguments before it repeatedly throughout the hearing. The Tribunal’s comments were largely ignored by the Respondents whose arguments centred on the fact they believed the freehold title of the Building (and associated property) was stolen from them, documents were forged and various allegations of criminal behaviour.
28. The Tribunal finds the Applicant is entitled to recover interim service charges pursuant to clause 4(4) of the Lease and does not need to provide certified accounts in order to demand interim service charges. The Tribunal is satisfied that the interim service charges are reasonable being based on the actual service charge costs of previous years. The Applicant is the registered freehold owner of the Building at the Land Registry and the relevant party to make service charge demands both actual and estimated. The Respondents are the registered leasehold owners of the Property and liable under the terms of the Lease to pay the 2025 service charge. The Tribunal therefore finds that the 2025 service is reasonable and payable by the Respondents in full.

**Legal Fees – the Administration Charge.**

29. The Applicant argues that the administration charges for legal costs incurred in respect of the 2024 application are recoverable pursuant to clause 3(9) of the Lease and are reasonable.

30. The issue of the Applicant's ability to recover legal costs in pursuing Tribunal proceedings for the recovery of service charges from the Respondents is another issue which formed part of the Second Determination and is dealt with at paragraphs 43 to 49 of that Decision. The Applicant invited the Tribunal to make the same decision regarding the recoverability of legal costs as set out in the Second Determination.
31. The Respondents raised many of the same arguments as detailed at paragraph 27 above and set out in the Scott Schedule that "*We believe we don't have to pay these service charges because we own the title absolute SGL396989*". The Respondents also argued that the legal costs were not reasonable and are not recoverable as the 2024 application was ultimately settled.
32. In this determination as with the Second Determination the Applicants made it clear that these proceedings were made in contemplation of forfeiture. Ms O'Neill also mentioned several times throughout the hearing that the Applicant was seeking forfeiture of the Lease. The Applicant's solicitors sent a letter before claim to the Respondents dated 3 October 2024 in which it said as follows: -
- "This letter and any proceedings which follow is accordingly in contemplation of the preparation and service of notice pursuant to Section 146 of the Law of Property Act 1925 as well as any forfeiture proceedings which may subsequently be brought against you"*
33. Clause 3(9) of the Lease does not apply specifically to legal costs incurred at a hearing, but costs incurred "*in or contemplation of any proceedings ...*". It is immaterial that the 2024 application was ultimately settled.
34. The Tribunal finds as a matter of fact that the costs incurred by the Applicant in relation to the 2024 Application were in contemplation of forfeiture pursuant to clause 3(9) of the Lease and are recoverable under the terms of the Lease.
35. In relation to the reasonableness of the administration charge the Tribunal does not consider all the legal costs incurred are reasonable. The 2024 application sought determination of the payability and reasonableness of the interim service charge for 2024, in the sum of £6,191.43, which the Respondents had not paid. The application was made on 16 October 2024 and withdrawn on 26 February 2025 following settlement.
36. The only costs information provided to the Tribunal was one invoice of Taylor Rose with a short summary of the costs which did not state the level of fee earner, the hourly rate applied or broke down the work undertaken. When asked by the Tribunal at the hearing the Applicant confirmed that all the work had been undertaken by a partner in the law firm who was the head of property

litigation. The Tribunal was told the hourly rate applied was £420 per hour. At the hearing the Tribunal asked why this matter was dealt with at partner level and was told it was due to the fact the partner knew the history of the matter (which would avoid further reading in time by another fee earner) and due to the serious allegations made by the Respondents.

37. When giving evidence Mr Smith confirmed he instructed solicitors and would often negotiate fees. When asked what his view of the invoice was when he was presented with it, he said he thought it “*was expensive*” then later went on to say he considered it reasonable.
38. The Respondents were asked about the administration charge and other than saying it was not reasonable did not add any additional comments or evidence.
39. The Tribunal does not consider the costs are reasonable and are unable to securitize the costs further due to a lack of a proper breakdown of costs. Despite the history between the parties, the 2024 application was a straightforward application relating to one year’s interim service charge totalling £6,191.43. The use of a partner at £420 per hour throughout was not reasonable and much of the work could and should have been done by more junior staff, albeit under supervision. The total costs incurred came to £6,712.40, which compared unfavourably with the amount in dispute, £6,191.43. The administration charge for legal costs is not reasonable and accordingly the costs are reduced by 50% to reflect a more reasonable and proportionate hourly rate considering the issues in the case and the amount claimed.

**Name: Judge Purcell**

**Date: 22 April 2026**

**Judge Powell**

## **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).