



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

Case Reference : **MAN/00BN/LAC/2025/0001**

Property : **Flat 31 & 138, Axis Tower, 9 Whitworth Street
West, Manchester M1 5JB M1 5JD**

Applicant : **WCS Advisory Services Limited**

Representative : **Vyman Solicitors**

**First
Respondent** : **Axis Manchester LLP**

Representative : **DAC Beachcroft LLP**

**Second
Respondent** : **Groundinvest (101) Limited**

Representative : **Grangeford**

**Type of
Application** : **Order for costs – Rule 13**

Tribunal Member : **Judge L. F. McLean**

Date of Decision : **22nd May 2026**

DECISION (RULE 13 COSTS)

DECISIONS OF THE TRIBUNAL

- (1) Pursuant to Rule 13(1)(b) of the Tribunal Procedure (First tier Tribunal) (Property Chamber) Rules 2013, the Tribunal orders that the Applicant must pay the First Respondent's costs of these proceedings, summarily assessed in the sum of £9559.00, such sum to be paid within 14 days of the Tribunal delivering this Decision to the parties.**
- (2) Pursuant to Rule 10, the First Respondent shall be removed as a party to these proceedings 28 days after the date that the Tribunal delivers this Decision to the parties.**

REASONS

The application

1. The application for costs is made by the First Respondent in this matter, following the Applicant's admission that it had identified the wrong respondent to the proceedings and the subsequent direction to join the Second Respondent. The circumstances are set out in the Case Management Note of the Tribunal dated 11th December 2025.
2. The Tribunal has considered the written representations submitted in relation to this application.

The procedural framework

3. Rule 13 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 enables the Tribunal to make an order in respect of costs either:-
 - a. under section 29(4) of the 2007 Act (wasted costs) and the costs incurred in applying for such costs; or
 - b. if a person has acted unreasonably in bringing, defending or conducting proceedings.
4. In *Willow Court Management Co (1985) Ltd v Alexander* [2016] L&TR 34, it was held that unreasonable behaviour must include conduct which is "vexatious", and "designed to harass the other side... the acid test is whether the conduct permits of a reasonable explanation". It is clear that the Tribunal should have regard to costs incurred as a result of any improper, unreasonable or negligent act or omission on the part of any legal or other representative. The Court of Appeal has, however, clarified in *Lea & Ors v GP Ilfracombe Management Company Ltd* [2024] EWCA Civ 1241 that the respondent to a Rule 13 application does not need to have engaged in "vexatious or harassing" behaviour in order for conduct to be

objectively unreasonable, but the issue is whether a reasonable explanation of the conduct can be given to the Tribunal.

Analysis

5. The presumption is, largely, that the First-tier Tribunal (Property Chamber) is a “no cost forum” and the Tribunal does not make Rule 13 orders lightly. The first question is whether the Applicant has acted unreasonably, in the sense of whether its conduct permits of a reasonable explanation.
6. The Tribunal has already previously noted that “It is abundantly clear that Groundinvest (101) Limited was always meant to be the proper respondent to the proceedings.”
7. As is submitted by Counsel for the First Respondent:-

As set out in WS/RMK at [24], the Applicant had been given notice that the First Respondent had ceased to be its landlord some time before the facts underpinning the Originating Application arose. In any case, the (legally represented) Applicant should and/or could have undertaken a simple land-registry check before issuing proceedings, which would have revealed that the First Respondent was the incorrect respondent to the proceedings. This failure to name the correct respondent permits no reasonable explanation (and none has been forthcoming). It is unreasonable conduct to have named the incorrect party in circumstances where the Applicant did, should and could have known who the correct respondent was, causing the First Respondent to incur costs.

8. The Tribunal itself could not summarise the position any more adequately than that. No explanation is offered by the Applicant – indeed, it is difficult to conceive of any possible reasonable explanation.
9. In the circumstances, the Tribunal is persuaded that the Applicant’s conduct easily passes the threshold established by Rule 13, and the Applicant should be ordered to pay the First Respondent’s costs.

Amount of costs claimed and awarded

10. The First Respondent has set out a schedule of costs incurred. The Applicant has not challenged the costs claimed or made any comment in reply.
11. The Applicant’s conduct was of such a degree of unreasonableness and negligence that the Tribunal considers that the Applicant should indemnify the First Respondent (which was a wholly innocent victim of the Applicant’s inexplicable decision to commence litigation against it), so that the First Respondent should not have to bear any of the costs so incurred.

12. Working within the indemnity principle, the Tribunal considers – upon reviewing the schedule of costs claimed – that there are no items which are readily identifiable as not being reasonably incurred. The Tribunal allows the entirety of the First Respondent's claim for costs, payable by the Applicant within 14 days.
13. The costs issue having been disposed of, the First Respondent no longer needs to remain involved in the proceedings and can be removed as a party.

Rights of appeal

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. If the Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).