FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY) &

IN THE COUNTY COURT AT MEDWAY sitting at Medway (Chatham) Magistrates' County & Family Court, The Court House, The Brook, Chatham, ME4 4JZ

Tribunal case ref.	**:**	HAV/29UN/LIS/2025/0021
County Court claim no.	**:**	L9QZ2R0E
Property	**:**	Flat 4 Sussex Court, Sussex Gardens, Westgate-on-Sea, CT8 8BB
Applicant/Claimant	**:**	1-5 Sussex Court Management Company Limited
Representative	**:**	Ms Karolina Szymanska (Counsel) Instructed by Coles Miller Solicitors LLP
Respondent/Defendant	**:**	Ms Jenny Edwards
Representative	**:**	In person
Type of Application	**:**	Transferred Proceedings in Relation to Liability to pay service charges under Landlord and Tenant Act 1985 s.27A
In the County Court	**:**	Tribunal Judge David Gethin
Tribunal Members	**:**	Tribunal Judge David Gethin Mr C Davies FRICS Ms P Gravell
Date and venue	**:**	27 April 2026, Medway (Chatham) Magistrates' County & Family Court
Date of Decision	**:**	12 June 2026

JUDGMENT AND DECISION

Summary of the decisions of the Tribunal

(1) The Tribunal determines that the Respondent is liable to pay the sum of £3,753.40 in respect of the Works to the rear of the Building.

(2) The Tribunal determines that the Respondent is not liable to pay the 'Legal Fees' in respect of variable administration charges demanded prior to the issue of the claim.

(3) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the Applicant's costs of the Tribunal proceedings may be recovered from the Respondent through the service charge.

(4) The Tribunal makes an order under paragraph 5A, Schedule 11 to the Commonhold and Leasehold Reform Act 2002 so that none of the Applicant's costs of the Tribunal proceedings may be passed to the Respondent as an administration charge.

Summary of the decisions made by the County Court

(5) The Defendant shall pay £7,022.16, including costs, within 30 days of the date of this decision.

(6) There is interest payable on the judgment sum at 5% per annum from 23 August 2024 to 27 April 2026 in the sum of £314.67, and continuing at a daily rate of £0.51.

The Proceedings

1. A paginated bundle of 236 pages was provided by the Applicant. References in [ ] in this decision are to pages taken from the bundle unless otherwise specified.

2. The Applicant/Claimant ("Applicant") sought, and following a transfer from the County Court at Medway the Tribunal was required to make, a determination under section 27A of the Landlord and Tenant Act 1985 ("LTA 1985") and Paragraph 5 of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 ("CLRA 2002"). These are matters within the jurisdiction of the Tribunal.

3. The original proceedings were issued on 21 October 2024 [5] in the Civil National Business Centre under Claim No. L9QZ2R0E. The Applicant also

claimed contractual costs although it did not specify in the Claim Form [3-4] or the Applicant's Reply to the Respondent's Defence dated 11 February 2026 [47-50] the term of the lease upon which it relied. It later confirmed in the Applicant's Reply dated 26 March 2026 [188-200] that it relied upon Clause 2(7)(i) for recovery of its costs. These are matters within the jurisdiction of the County Court.

4. The Respondent/Defendant ("Respondent") filed a Defence and Counterclaim dated 18 November 2024 [8-12] which required transfer to the Tribunal to determine issues under s.27A LTA 1985 and para. 5, Sch. 11., CLRA 2002. The proceedings were transferred to the Tribunal by District Judge Wright sitting at the County Court at Medway by order dated 4 June 2025 [38].

5. The amount claimed is stated in the relevant box on the Claim Form as £5,884.92. Interest and the Court fee on issue are additionally claimed.

6. The details of the claim indicate the above sum to be an amount sought as contractual costs - see further below - and refer to a different sum for what are described as "monies owed" of £3,753.40. As to whether those are service charges or other charges or sums is not revealed. As to how the total contractual costs claimed becomes £5,884.92 is not explained on the Claim Form.

7. A detailed Defence was filed contending, amongst other matters, a failure on the part of the Applicant to negotiate or mediate, that the contributions to works should not be as they are demanded, that it appears that charges may be for works not part of the Applicant's responsibility and that costs of action should not be recoverable. A Counter Claim was sought, which it is understood appears to have been a challenge to the charges claimed, and which was struck out by the District Judge sitting at the County Court at Medway by order dated 4 June 2025 [38].

8. The case has therefore been transferred for the Tribunal to determine all matters within its jurisdiction, and for the case to be administered by the Tribunal - which will include whether service charges or administration charges are payable and if so then in what sum - and for a Tribunal Judge to then decide the issues falling solely within the jurisdiction of the County Court, sitting as a Judge of the County Court. Therefore, in determining these proceedings, the Tribunal Judge will also decide those issues falling outside the Tribunal's jurisdiction sitting as a County Court Judge after concluding the matters heard by the Tribunal.

9. As a result of amendments made to the County Courts Act 1984, First-tier Tribunal judges are now also judges of the County Court. This means that, in a suitable case, the Tribunal Judge sitting as a County Court Judge can decide

the issues that would otherwise have to be separately decided in the County Court.

10. In this case, District Judge Wright ordered that the Tribunal Judge should determine all matters arising from the claim. Therefore, in determining these proceedings, the Tribunal Judge will also decide those issues falling outside the Tribunal's jurisdiction sitting as a County Court Judge after concluding the matters heard by the Tribunal.

11. For the purposes of the County Court issues, the proceedings have been allocated to the small claims track in accordance with the Notice of Allocation dated 20 November 2024 [13].

12. Accordingly, Judge Gethin presided over both parts of the hearing, which resolved all matters before both the Tribunal and the Court. Judge Gethin proceeded to sit as a Tribunal Judge alongside Mr Davies and Ms Gravell, to make a determination in respect of those matters before the Tribunal, and once the Tribunal decision was made Judge Gethin sat as a County Court Judge.

13. Paragraph 16 of the Applicant's Reply to the Respondent's Defence dated 11 February 2026 [47-50] provides a breakdown of the amount claimed, namely:

    (a) arrears of service charge in the sum of £3,753.40;

    (b) Interest 537.92;

    (c) 'Legal Fees' in the sum of £1,593.60;

    (d) Claim Fee in the sum of £455.00.

14. Item (a) is a matter which requires prior determination by the Tribunal, as does item (c) to the extent that it relates to a variable administration charge demanded of the Respondent. Once determined, they will be included alongside items (b)-(d) as matters that fall within any order made in the County Court together with the further costs of the claim, if any, sought by the Applicant.

15. This decision acts as both the summary of the reasons for the Tribunal decision and the reasoned judgment of the County Court.

The Background

16. The Property is situated in a converted 5-storey, including basement level, Victorian terraced building ("the Building") of brick construction. The

Applicant acquired the freehold of the Building on 11 February 2008 [191-192].

17. An inspection was not requested by the parties, and none was held. We viewed the exterior of the Building using Google Streetview and observed that the Building had a balcony to the front of the Building at the Ground Floor Elevation, as well as balconies to the rear of the Building at the Ground and First Floor Elevations. The balconies are of a timber construction with a pitched, tiled roof above. The Property is situated on the Second Floor of the Building, with Flat 1 at the basement level and Flat 5 situated within the roof space of the Building.

18. The Respondent purchased the Property on 8 November 2019 and was registered as the proprietor on 25 November 2019 [193-194].

19. The Respondent holds a long lease of the Property dated 27 March 2007 between (1) Fanway Properties Limited (2) the Applicant and (3) Mr and Mr Saunders for a term of 125 years from 25 March 2005 ("the Lease") [195-236].

20. The Applicant initially consulted on external works carried out to the rear of the building including repairs to the balcony structures ("the Works") in September 2017 and in October 2022, quotations concerning the Works were shared with the leaseholders. A demand for the Respondent's contribution towards the costs of the Works was sent on 6 January 2023. The Works were actually commenced in April 2025. It is the Respondent's contribution towards the Applicant's costs incurred in carrying out the Works which are the subject of the present determination.

The Hearing

21. The hearing took place in person at Medway (Chatham) Magistrates' County & Family Court. The Tribunal was addressed by Ms Szymanska, Counsel on behalf of the Applicant, and by Ms Edwards, the Respondent. Ms Julie Harman, Property Manager at Clever Property Management, attended as a witness on behalf of the Applicant. Also in attendance was the Respondent's friend, Mr Holton.

Late evidence

22. During the hearing, the Tribunal requested that the Applicant furnish the panel and the Respondent with copies of the leases for Flat 2 and Flat 3. These were provided by Ms Szymanska at 12 noon, and their contents were considered during the adjournment for lunch. The Respondent did not oppose their inclusion.

23. Having regard for the fact that the other leases were material to the matters in dispute, we decided that it would be in the interests of justice to admit them.

The Applicant's Case

24. The Applicant submits that the Respondent is contractually liable under the terms of the lease to contribute a 1/5th proportionate share of the costs, charges and expenses incurred by the Applicant in complying with its obligations under the Sixth Schedule to the Lease, which includes those incurred in connection with the repair, maintenance, management and administration of the building and Estate.

25. The Applicant submits that legal fees were incurred as a consequence of the Respondent's continued non-payment, and the Letter Before Action dated 23 August 2024 provides details of the sum demanded.

The Respondent's Case

26. The Respondent submits that she did not purchase the Property until after the first stage of the consultation process had taken place. The Statement of Estimates dated 17 October 2022 confirmed two quotes had been received and a third may be forthcoming. The Respondent said that she was waiting for the details of the third estimate.

27. The Respondent submits that she had sought clarification regarding the consultation process and then clarification as to whether she was required to pay a proportion of works that only benefit certain flats rather than the building as a whole.

The Issues

28. The Tribunal has identified the relevant issues for determination are whether the Respondent is liable under the terms of the Lease to pay a contribution towards the costs of the Works, and whether the Respondent is liable to pay the variable administration charges arising from her failure to pay the service charge in respect of the Works.

29. Having considered the Hearing Bundle, the Late Evidence provided, oral evidence from Ms Harman and the submissions of the parties, the Tribunal has made determinations on the various issues as follows.

The Tribunal Decision

30. The Tribunal has jurisdiction to first deal with items (a) and (c) of the Applicant's claim, namely (a) the service charge for the Works and (c) Legal

Fees incurred before the claim was issued which we have treated as variable administration charges for the purposes of para. 5, Sch. 11, CLRA 2002.

31. We preface our determination with the following comments.

32. The Applicant had instructed solicitors at all times, but the preparation of the Claim and the evidence bundle was to a poor standard. There were errors in the amount claimed that only came to light during the hearing. We had to request copies during the hearing of the Leases of Flat 2 (Ground Floor) and Flat 3 (Ground Floor) to understand the extent of the demised premises, and thereby the reserved property, in order to know whether the Applicant was liable to contribute towards the costs incurred by the Respondent.

33. The Applicant relied upon the witness statement of Julie Harman, Property Manager at CPM, dated 11 February 2026 [122-123] and exhibits in support [124-141].

Service Charge for the Works

34. The Applicant is a resident owned management company in which all leaseholders are also shareholders of the Respondent. It does not have any assets other than its freehold interest in the Building.

35. In order to undertake qualifying works, it is necessary to demand monies on account, sometimes referred to as an interim or estimate service charge.

36. The Applicant had consulted with the leaseholders in advance of the Works commencing. They were wise to do so. That process had started with the Notice of Intention dated 15 September 2017 [132-133], prior to the Respondent's purchase of the Property. The Respondent was candid that she had spoken with the conveyancer who had confirmed that the Respondent had been provided with notice that works were intended, although the conveyancer could not recall whether they had discussed that with the Respondent.

37. After she had purchased the Property, the Respondent was served with the Statement of Estimates dated 17 October 2022 [127-131]. Whilst that notice had suggested that a third quote might be provided, it was under no obligation to secure a third estimate. The delay between the first and second stage of the consultation process was no doubt, in part, due to the pandemic. Since the Applicant had appointed the cheapest contractor, there was no requirement to serve any further notice. Despite the increasing costs of materials, the Applicant had been able to negotiate that the cost of the contract would not increase.

38. The Works commenced in April 2025, and the evidence from Google Streetview shows scaffolding had been erected to the rear of the Property by May 2025. The Respondent confirmed that the Works have since completed.

39. We are satisfied that the consultation requirements under s.20 LTA 1985 and The Service Charges (Consultation Requirements) (England) Regulations 2003 have been complied with but, in any event, we are only dealing with an on account, sometimes referred to as interim or estimate, demand. In *23 Dollis Avenue (1998) Ltd v Vejdani* [2016] UKUT 365 (LC), it was held that the limitation in s.20 LTA 1985 to the contribution payable by the tenant is only referable to costs incurred by the landlord in carrying out the work rather than in respect of work to be carried out in the future.

40. Within Clause 1 of the Lease, the Respondent has covenanted to pay "*such sums as are payable in accordance with the provisions of the Fourth Schedule hereto*" [201].

41. Under para. 1(ii)(a) of the Fourth Schedule to the Lease, Service Charge means "*a one fifth part of the expenditure on services for the Estate set out in service charge (Part I) in the Sixth Schedule*" [221].

42. Para. 1, Part (I) of the Sixth Schedule to the Lease concerns the Applicant's obligation "*To repair the Estate (except the Apartment and other Apartments in the Buildings) and the external boundary walls and fences thereof*" whilst para. 3, Part (I) of the Sixth Schedule to the Lease concerns the Applicant's obligation "*In every fourth year of the Term to paint with two coats at least of good quality paint all parts of the exterior of the Building and the Estate hitherto painted (including the window frames of the Apartment)*" [229-230].

43. In the preamble to the Lease, the Estate is defined as "*(1) The premises hereby demised form a part of a building containing Five residential Apartments ("the Building") which are together with its grounds and outbuildings (if any) known as 1-5 Sussex Court Westgate on Sea Kent (the "Estate")*" [199].

44. The Demised Premises include the Apartment that is subject of the Lease and is defined, so far as it is relevant, in the First Schedule to the Lease as:

> "***FIRST ALL THAT*** *residential Apartment forming part and situate on the second floor of the Building and known as Apartment Number 4 as the same is delineated on the Plan attached hereto and thereon edged red including (in the case of a Apartment on the ground floor of the Building) the floors of the Apartment and one-half part in depth of the structure between the ceilings of the Apartment and floors of the Apartment above it (in the case of a Apartment on a middle floor of the Building) one-half part in depth of the*

structure between the floors of the Apartment and the ceilings of the Apartment below it and one-half part in depth of the structure between the ceilings of the Apartment and the floors of the Apartment above it… and (in the case of all Apartments) the internal walls and the interior surfaces of the external walls between the floors and the ceilings of the Apartment together with all windows and window frames contained in such walls and the external door or doors of the Apartment ***PROVIDED THAT*** *this demise excludes the roof foundations and main structural walls of the Building*"

45. The leases for Flat 2 (Ground Floor) and Flat 3 (First Floor) are for the most part, see below, in the same written terms. The most significant issues arise when we turn to the Plans of each Apartment.

46. The dates of each respective lease is 31 July 2006, 2 February 2007 and 27 March 2007 respectively. The draughtsperson(s), when delineating the Plan in red, has not been consistent in what had been demised.

47. In the case of Flat 2, the Apartment extends across the balcony to the front and rear of the Building and the red edge sits beyond the balcony railing at the front, but within the balcony railing at the rear. A small understairs storage cupboard is also demised.

48. In the case of Flat 3, the red edge at the rear of the Property marks one-half the depth of the external wall and exclude any of the balcony to the rear of the Building. The storage room abutting the Apartment and situated above the front entrance door to the Building, but only accessible from the shared hallway is also demised.

49. In the case of Flat 4, the red edge of the Property marks one-half the depth of the external walls to the front and rear of the Building. There is no balcony to the rear of the Building at this height and above. The storage room abutting the Apartment and situated above the front entrance door to the Building but only accessible from the shared hallway, in other words the same as for Flat 3, has not been demised in the Plan and no reference to it being so demised is to be found in the First Schedule.

50. We are left with a question of contractual interpretation and, in doing so, we apply the principles taken from the Supreme Court case of *Arnold v Britton and Ors* [2015] UKSC 36.

51. First, there are no special rules that apply to contractual interpretation of a lease as opposed to any other written agreement or deed. The court or tribunal must identify the intention of the parties by reference to "*what a reasonable person having all the background knowledge which would have been available to the parties would have understood them to be using the*

language in the contract to mean", focussing on the meaning of relevant words in their documentary, factual and commercial context. Obviously we also need to have regard to the Plans as well.

52. As is often the case when leases are granted over a period of time, the same or a different draughtsperson may introduce inconsistent practice. We were told that the Respondent has sole use of the storage cupboard on the second floor of the shared hallway and has been previously expected to incur costs associated with it. Such costs are not the matter of this determination, but if that is the common understanding of the parties it does not accord with what the Lease provides. The storage cupboard is neither delineated in the Plan nor referred to in writing in the First Schedule. The parties should consider whether the Lease needs to be varied.

53. Turning to Flats 2 and 3, we find that a reasonable person with the knowledge that:

    (a) the Building was converted into 5 Apartments;
    (b) each lease was granted within a 12-18 month time period after the conversion; and
    (c) that each lease contains the same wording in the preamble to each lease under the definition of the Lease Scheme that "*(2) It is the intention of the Landlord that each of the 5 Apartments in the Buildings shall be demised by a lease in similar terms (mutatis mutandis) to those hereof with a view to each of the tenants thereunder being able to enforce against the others the restrictions contained in the other such leases*"

    would conclude that the extent of the demised premises in each case should be on the same basis, i.e. each should have a demised storage cupboard and that the extent of any demise of the balconies should be the same.

54. Given the balconies at both the front and rear of the Building have supporting legs from the ground up to the respective tiled roof, we do not find that the parties to the leases intended to demise the balconies to the respective leaseholders, but intended to reserve those so that the Applicant would retain responsibility for their repair and maintenance.

55. We accept that it is only the leaseholders of Flats 2 and 3 that have the benefit of their respective balconies, but the other leaseholders have the benefit of the Victorian coastal aesthetic so typical of properties of this type in East Kent when they were single, albeit terraced, dwellings.

56. The parties would be advised to regularise the leases to ensure the demise is correctly recorded in each case. This will be most easily achieved if the parties can agree to vary the leases.

57. There was no submission that the Works were not reasonably incurred or the costs were not reasonable. If anything, the evidence was that the external redecoration had not taken place "*in every fourth year of the Term*" and would certainly have been necessary by the time of the Works given the proximity to the sea and the salt air.

58. It follows that the Applicant is liable to pay a 1/5th contribution towards the costs that were demanded in advance by way of the estimate service charge demand dated 6 January 2023 in the sum of £3753.40 [138-139].

Variable administration charges

59. Having taken instructions from her instructing solicitors during the adjournment at 11:20am to secure copies of the leases for Flats 2 and 3, Ms Szymanska confirmed that the sums sought by the Applicant in the Claim Form were not correct.

60. The sum claimed for 'Legal Fees' was £1,593.60.

61. The Letters Before Action dated 29 November 2023 gave costs in the sum of £425.00 + vat plus a Land Registry disbursement of £3.00 + vat for an office copy of the leasehold title [171-172], and in the Letter Before Action dated 23 August 2024 it was stated that the costs had increased and now stood at £725.00 + vat plus the disbursement above [52-55].

62. The running total of the solicitors' costs was in fact £873.60, whereas the Applicant's solicitors had combined the two figures to give £1,383.60. That still left £210.00 unaccounted for.

63. The second letter refers to enclosed administration demands dated 29 November 2024 [sic] and 23 August 2024. These presumably relate to the Letters Before Action but those demands were not included in the bundle.

64. The first letter made reference to, and the second letter explicitly enclosed a copy of, the *Practice Direction – Pre-Action Conduct and Protocols* [56-64].

65. Although the enclosed Practice Direction does not refer to it in the list of protocols in force at paragraph 18, there is a specific Pre-action Protocol for Debt Claims ("PAPDC") which has been in force since September 2015. Both letters give Mr Leedham's email address, and we are of the view that they were

therefore sent by a Partner in the firm. Mr Leedham should be aware of the existence of PAPDC.

66. Paragraph 1.1 of PAPDC provides that "*This Protocol applies to any business (including sole traders and public bodies) claiming payment of a debt from an individual (including a sole trader). The business will be referred to as the "creditor" and the individual will be referred to as the "debtor". This Protocol does not apply to business-to-business debts unless the debtor is a sole trader.*"

67. PAPDC requires the disclosure of documents which does not appear to have fully taken place until after the proceedings were issued and which still required further disclosure during the hearing itself. PAPDC provides for "*Taking Stock*" and provides the debtor with an information sheet including from where to seek debt advice, and a Reply Form to which the debtor can provide financial information supporting their proposed offer of payment, none of which was provided.

68. The proceedings have been brought against the Applicant as an individual and not as a business, even if she is subletting the Property. PAPDC was the protocol that should have been followed. The consequences for the claim in the County Court of failing to follow the requisite pre-action protocol will be addressed below.

69. In addition, there are two demands from the managing agent dated 21 September 2023 [135] and 6 October 2023 [136] totalling a further £82.44 for action for arrears. Those demands relate to letters sent on 28 July 2023 [110] and 6 October 2023 [112] respectively.

70. The Service Charge is to be paid "*by way of further rent*" [201]. Under Cl. 2(7) of the Lease [203-204], the Respondent has covenanted:

> "*To pay all costs (including solicitor's costs and surveyor's fees) incurred by the [Applicant] of and incidental to the preparation and service of:-*
>
> *(i) a notice under section 146 of the Law of Property Act 1925 notwithstanding that forfeiture is avoided otherwise than by Order of the Court…*
> *or*
> *(iii) proceedings for the recovery of any of the rents reserved*"

69. The Applicant's Reply only relies upon Cl. 2(7)(i) and Ms Szymanska submitted that allows the Applicant to recover its costs on the indemnity basis. That is the starting point, but given the Applicant's solicitors' failure to comply with the correct pre-action protocol, and its failure to evidence the

administration charge demands dated 29 November 2023 and 23 August 2024, we find that these administration charges are not payable.

70. There is no evidence of any invoice from the agents to the Applicant for the cost of the arrears' letters. Indeed, it is unlikely the Applicant did "incur" any such costs. The cost of invoicing and collecting service charges and instructing others to collect unpaid service charges is ordinarily covered by the agent's basic annual management fee: see para 3.4 of the *RICS Service Charge Residential Management Code (3rd Ed)*. No extra charge is therefore likely to have been made to the applicant. The charges would not be reasonable under Sch.11 CLRA 2002, absent any evidence that the Applicant has incurred any cost.

Application Under s.20C and Para.5A and Refund of Fees

71. The Respondent has applied for an order under s.20C LTA 1985 and under para.5A, Sch.11 CLRA 2002 preventing the Applicant from recovering any of its legal costs of the proceedings before the Tribunal, either through the service charge or as an administration charge.

72. Ms Szymanska resisted the making of either order on the basis that the Applicant only seeks its costs of the claim in the County Court.

73. The Respondent submitted [145-147] that she had acted in good faith and was seeking to understand whether she was required to contribute an equal proportion of the costs raised. We note that it was only at the hearing that it appears that leases for Flats 2 and 3 were provided which was necessary to show that the balconies were not demised and why the Respondent was required to pay a contribution towards those costs, and there was evidence in the bundle showing her attempt at engagement.

74. Having considered the parties' submissions and taking into account the determinations above, the Tribunal determines that it is just and equitable in the circumstances for an order to be made under s.20C LTA 1985 and under para.5A, Sch.11 CLRA 2002, so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the Tribunal either through the service charge or as an administration charge.

75. However, we recognise that this may cause a difficulty for the Applicant which does not otherwise have access to funds such that it may need to make a call on its members to address the shortfall that it has accrued as a result.

The County Court Decision

76. I, sitting alone as a judge in the County Court and having regard for the Tribunal's determination of the liability of the Respondent to pay each of the items (a) and (c) of the Applicant's Claim, need to consider the effect of the Tribunal's decision on the Claim brought by the Applicant.

Amount Claimed

77. The amount claimed for the Service Charge was correct and has been allowed by the Tribunal in full.

78. Notwithstanding the Tribunal's decision that the Respondent is not liable to pay the 'Legal Fees' which were considered to be variable administration charges, the sum claimed was incorrect and would have been, had demands been fully evidenced, £956.04 and not £1,593.60.

79. Having regards for the Tribunal's determinations, the amount payable is reduced to £3,753.40. Ms Szymanska submitted that the time for payment could be extended by up to 30 days. I hereby order that payment is to be made 30 days after the date of the Judgment.

Interest

80. There is no contractual entitlement for interest in the Lease. Instead, the Applicant seeks interest under section 69 of the County Courts Act 1984 which the court may grant "*at such rate as the court thinks fit or as may be prescribed*" which is currently 8% per annum, such interest accruing on a daily basis for the period from the due date and including the date of payment.

81. Ms Szymanska submitted that at the date of the first Letter Before Action, the Bank of England base rate was 8%, that there had been a significant level of communication with the Applicant regarding the debt in the hope of achieving a resolution, and as such the award should reflect the amount of prejudice to the Applicant. In the intervening period, interest rates have softened considerably. Ms Szymanska submitted that if I was not minded to reflect the Bank of England interest rate in force at the time, an award of 5-6% per annum would reflect the average over the period.

82. The Respondent made no submissions on the rate or when it should take effect from. There was no contact from the Applicant's solicitors between November 2023 and August 2024, albeit two further letters were sent from CPM during that time.

83. Having regard for all of the above, I order interest be paid on the amount determined to be payable of £3,753.40 at 5% per annum from 23 August 2024 to the date of the hearing on 27 April 2026 in the sum of £314.67 and thereafter at £0.51 per day if payment is not made within 30 days of the date of the Judgment.

Costs

84. The Applicant's solicitors pleaded the costs of the claim, although it did not plead the term of the Lease upon which it relied until the Applicant's Reply dated 26 March 2026 [190]. Under Cl. 2(7)(i) [203], the Applicant is entitled to its costs of the claim to be assessed on a full indemnity basis "*incidental to the preparation and service of a section 146 notice*".

85. Given the Applicant has succeeded in its claim, albeit the amount has been significantly reduced, the starting point would be that the Respondent should pay the Applicant's costs on a full indemnity basis although the amounts charged have to be reasonable. This is the starting point notwithstanding the fact that the Claim has been allocated to the small claims track, see *Chaplair v Kumari* [2015] EWCA Civ 798.

86. The costs claimed of £7,825.88 significantly exceed the sum claimed. Where costs are claimed on an indemnity basis rather than the standard basis, issues of proportionality are irrelevant, but costs which are unreasonable are still not to be allowed.

87. The Respondent is a litigant-in-person. She is not experienced in litigation. She was unable to make detailed submissions regarding costs.

88. The N260, understood to have been prepared by Mr Leedham, a Grade A fee earner, claims an hourly rate of £330.00 + vat for himself and £134.00 + vat for work done by a Grade D fee earner. The vast majority of the work was undertaken by a Grade A fee earner without delegation and despite this not being a particularly complex case. The amount claimed as 'Legal Fees' was confirmed by Ms Szymanska, having taken instructions, to be incorrect. There was no evidence to show the extent of the reserved property that the Respondent was being asked to contribute towards the costs of repairing and redecorating, until the Tribunal requested it.

89. The Guideline hourly rate for a Grade B fee earner at a firm based in Poole, Dorset (National Band 1) is £247.00 + vat per hour. I substitute that rate in place of that claimed for work done by Mr Leedham.

90. As to the time claimed, and mindful that there is an absence of dates for substantive letters sent to the Respondent or others, I reduce the time spent

on others, presumably on Ms Harman, from 2.80 hours to 1 hour for Letters out/emails and 0.8 hours to 0.5 hour on Telephone.

91. Turning to the schedule of documents, the solicitors only completed the one-page claim form in respect of a simple debt claim and did not provide separate particulars of claim, and even those brief particulars were incorrect in relation to the 'Legal Fees'. 1 hour for the claim form is allowed.

92. In respect of preparing a 236-page bundle, I consider 4.6 hours to be unreasonable and allow 2 hours instead. I have decided that the time spent on other documents, is reasonable.

93. In respect then of the Applicant's solicitors' costs, I arrive at the figure of £2,870.64 including vat. I have then taken into account the conduct of the Applicant's solicitors under CPR 44.2(5) having particular regard for the extent to which the Applicants' solicitors did not follow the relevant pre-action protocol (CPR 44.2(5)(a)).

94. I have therefore reduced the solicitors' costs by 1/3 to arrive at a figure of £1,913.76 including vat.

95. As to Counsel's fee, the fee is in itself reasonable, but Counsel was in attendance both before the Tribunal, the costs of which the Tribunal have determined above are not recoverable under para.5A, Sch.11, CLRA 2002, and before me sitting as a judge in the County Court. I therefore allow the Applicant's costs for half the fee in the sum of £750 + vat.

96. I allow the Applicant's cost of its Claim Fee of £455.00.

97. The amount to be paid by the Applicant in respect of costs, including vat, is summarised below:

Solicitors' costs (as summarily assessed then reduced by 1/3)	1,913.76
Counsel Fee	900.00
Claim Fee	455.00
Total	**£3,268.76**

98. Given that the Tribunal has made a decision regarding the service charges and administration charges, the landlord is entitled to a judgment in that sum. A separate County Court order, reflecting this decision is attached.

Name: Judge Gethin

Date: 12 June 2026

Rights of appeal

Appeals in respect of decisions made by the FTT

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision. Where possible you should send your further application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal to deal with it more efficiently.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

Appeals in respect of decisions made by the Tribunal Judge in his/her capacity as a Judge of the County Court

5. An application for permission to appeal may be made to the Tribunal Judge who dealt with your case or to an appeal judge in the County Court.

6. Please note: you must in any event lodge your appeal notice within 21 days of the date of the decision against which you wish to appeal. Further information can be found at the County Court offices (not the tribunal offices) or on-line.

Appeals in respect of decisions made by the Tribunal Judge in his/her capacity as a Judge of the County Court and in respect the decisions made by the FTT

7. You must follow **both** routes of appeal indicated above raising the FTT issues with the Tribunal Judge and County Court issues with either the Tribunal Judge or proceeding directly to the County Court