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**Residential  
Property**  
TRIBUNAL SERVICE

**THE RESIDENTIAL PROPERTY TRIBUNAL SERVICE**

**DECISION OF THE LONDON LEASEHOLD VALUATION TRIBUNAL ON  
AN APPLICATION UNDER SCHEDULE 11 TO THE  
COMMONHOLD AND LEASEHOLD REFORM ACT 2002  
AND SECTION 20C OF THE LANDLORD AND TENANT ACT 1985**

**Case Reference: LON/00AW/LAC/2007/0009**

**Premises: Flat 34 Coronation Court Brewster Gardens London W10 6AL**

**Applicant(s): Mrs N Ezechukwu**

**Represented by: Mr U Ezechukwu**

**Respondent(s): Mr K L Williams and Mr C F Williams**

**Represented by: Salter Rex Managing Agents**

**Date of determination: 17<sup>th</sup> July 2007**

**Appearances: none, paper determination**

**Tribunal: Mrs J McGrandle BSc MRICS MRPTI**

**Mr P Roberts RIBA**

## **1.0 Background**

- 1.1 On or after 21<sup>st</sup> March 2006 the Applicant received a service charge demand for £646.21 which is on file. No payment was received and subsequently an arrears letter/s were sent, none of which are on file.  
The matter was referred by the Landlord's agents, Salter Rex, to Messrs. Altermans Solicitors who on 26<sup>th</sup> May 2006 sent a letter (on file) to the Applicant stating:  
".....The outstanding arrears of Service Charges are currently £646.21....In addition our client has to date incurred costs in the sum of £247.94 including VAT and disbursements.....The total outstanding is therefore £894.15.....Please send us a cheque for the total outstanding.....failing which we are instructed to issue proceedings for the full recovery of the Service Charges.....Please note that if a county court judgement is entered against you....."
- 1.2 The Applicant paid the sum of £646.21 on 8<sup>th</sup> June 2006 but declined to pay the sum of £247.94.
- 1.3 On 19<sup>th</sup> June 2006 Altermans sent an e-mail (on file) to Salter Rex stating:  
"I have not received a reply to my letter before action to the lessee of 26 May 2006. Please let me know if the lessee has contacted you or made any payments to reduce the arrears. Alternatively, please let me have a cheque for £120 so that I can issue proceedings to recover the outstanding Service Charges...."
- 1.4 On 23<sup>rd</sup> June 2006 Altermans sent to Salter Rex a fee account (on file) for Professional Services in connection with "Acting on your behalf in connection with the recovery of arrears of ground rent and service charges £200" which with disbursements and VAT amounted to £247.94.

## **2.0 Issue**

- 2.1 The sum at issue is £247.94, the Applicant stating:  
1) that this was an administration charge for which under the terms of the lease she is not liable and  
2) that in any event the demand for payment failed to comply with Schedule 11 to the Commonhold and Leasehold Reform Act 2002. The Respondent has countered by saying that this is a legal cost incurred by the Landlord fulfilling his obligations under the lease.

## **3.0 Lease**

- 3.1 Under Clause 2(B)(i)(i) the lessee covenants to pay  
"....The fees ....of the Lessor's managing agents for the collection of the rents of the flats in the said Buildings and for the general management thereof."

Under Clause 2(F) of the lease the lessee covenants

"(F) To pay unto the lessor all costs charges and expenses (including legal costs and fees payable to a surveyor) which may be incurred by the Lessor in or in

contemplation of any proceedings under sections 146 and 147 of the Law of Property Act 1925.”

3.2 There are no other clauses in the lease which refer to legal costs incurred by the landlord.

#### **4.0 Decision**

4.1 The Tribunal noted that the file did not contain a full set of correspondence. However, on the balance of probability, legal costs were incurred in contemplation of proceedings under S.146 of the Law of Property Act 1925 and therefore fell within the terms of clause 2(F) of the lease.

4.2 The Tribunal accepts that the legal costs are an administration charge within the meaning of para.1(1)(d) of Schedule 11 to the 2002 Act and accepts the Applicant’s contention that the demand for payment did not comply with para.4 of Schedule 11 to the 2002 Act which states:

“4(1) A demand for the payment of an administration charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to administration charges.”

4.3 Therefore the Tribunal determines that the charge is suspended pending re-issue in accordance with Schedule 11 to the 2002 Act.

4.4 As to the reasonableness of the Professional fees of £200, the Tribunal had on file one letter only, that of 26<sup>th</sup> May 2006, and determines a fee of £150 (plus disbursements and VAT) as reasonable.

#### **5.0 Costs**

5.1 There is provision in the lease under clause 2(B)(i)(i) for the landlord to recover costs in connection with the general management of the flats. Accordingly the Tribunal makes no order under S.20C of the Landlord and Tenant Act 1985 thus allowing the landlord to recover his reasonable costs in connection with this application.

*J. McGrandle*

..... Mrs J McGrandle BSc MRICS MRPTI  
Chairman

*17. 7. 07.*

.....  
Date

