Y TRIBIWNLYS EIDDO PRESWYL RESIDENTIAL PROPERTY TRIBUNAL (WALES) LEASEHOLD VALUATION TRIBUNAL

Reference: LVT/0005/06/25

In the matter of 41 Bryntirion, Llanelli, SA15 3QD

In the matter of an Application under section 166 of the Commonhold and Leasehold Reform Act 2002

APPLICANT: Benjamin Edward Dunlop
RESPONDENT: Acent Investments Limited

Tribunal: Tribunal Judge Tueje

Mr T. Wyn Jones BSc Dip Surv FRICS MCIArb MEWI (Surveyor)

Ms C. Calvin-Thomas (Lay Member)

Date of decision: 24th September 2025 on the papers.

DECISION

- (1) The Tribunal determines that the Respondent's notices for payment of ground rent for the periods 1st January 2023 to 31st December 2023, 1st January 2024 to 31st December 2024, and 1st January 2025 to 31st December 2025, are invalid because they fail to satisfy the requirements at sections 166(3) and 166(6) of the Commonhold and Leasehold Reform Act 2002. Accordingly, the notices do not give rise to an obligation to pay the ground rent.
- (2) The Respondent is not entitled to claim interest on the unpaid ground rent, nor is it entitled to levy administration charges for its attempts to recover payment of the ground rent.
- (3) The Applicant's request for reimbursement of the application fee is refused.

REASONS FOR DECISION

Introduction

1. This is an Application regarding ground rent in respect of 41 Bryntirion, Llanelli, SA15 3QD (the "Property"), for the periods 1st January 2023 to 31st December

- 2023, 1st January 2024 to 31st December 2024, and 1st January 2025 to 31st December 2025.
- 2. The Respondent relies on ground rent notices sent to the Applicant on a date unknown but prior to 10th April 2025, and claims these amounts are now overdue. It also seeks to recover from the Applicant the costs incurred in attempting to recover payment of the ground rent.
- 3. Further or alternatively, the Respondent relies on ground rent notices sent to the Applicant on around 1st July 2025 claiming ground rent for the abovementioned periods.
- 4. The Applicant contends the ground rent notices sent prior to 10th April 2025 do not satisfy the requirements of section 166(3) of the 2002 Act and are therefore invalid.
- 5. The Applicant disputes liability for the Respondent's costs incurred in seeking to recover payment of the ground rent.
- 6. The Applicant also contends the ground rent notices sent on around 1st July 2025 do not satisfy the requirements of section 166(6) of the 2002 Act and are therefore invalid too.

Background

- 7. Up to around April 2022 the Applicant lived at 43 Maes Yr Haf, Llanelli, SA15 3NF. The Applicant acquired the leasehold interest in the Property in around April 2002. His predecessor had paid ground rent to cover the period up to 31st December 2022.
- 8. The lease is dated 13th December 2006, and is for a term of 125 years commencing 1st January 2005. The relevant provisions of the lease are set out below.
- 9. By clause 1.1.14 of the lease the Initial Rent is £165.00 per annum, which is the amount currently payable as ground rent.
- 10. Clause 7.2.2 deals with the address for service of documents on the landlord and the tenant. Regarding service on the latter, it reads:
 - A notice to the Lesse should be delivered or sent to the Lesse at the Flat or at such other address in Great Britain (if any) as the Lessee may from time to time notify the Lessor as the address to which notices under this Lease should be sent
- 11. Paragraph 5-12.3 of the Fifth Schedule deals with fees payable by the Applicant under the lease, which includes:
 - the recovery or attempted recovery of arrears of Rent Service Charge or other sums due under this Lease

12. As to interest on sums that are overdue, paragraph 5-13 of the Fifth Schedule reads:

The Lessee must pay interest at the Interest Rate on any of the Rent Service Charge or other sums due under this Lease that are not paid within 14 days of the date due, whether formally demanded or not so long as the Lessor has complied with obligations imposed on him by law in relation to any such payment. Nothing in is to entitle the Lessee to withhold or delay payment of the Rent or any other sum due under this Lease or affect the rights of the Lessor in relation to any non-payment.

- 13. The Respondent is the freehold owner of the Property. Anthem previously acted as managing agents. However, in 2024 they were replaced by Eaves Property Management Services ("Eaves").
- 14. The Applicant states that in 2023 ground rent notices for the Property were sent to 43 Maes Yr Haf, Llanelli, SA15 3NF, being his previous address. He says he contacted the Respondent to provide his correct address.
- 15. The Applicant is not aware whether any ground rent notices were sent in 2024, because he states he did not receive any at the Property.
- 16. The Tribunal has been provided with a letter dated 10th April 2025 from Eaves addressed to the Applicant sent to 43 Maes Yr Haf, Llanelli, SA15 3NF. The letter requests the Applicant pays £529.96, which is broken down in an enclosed statement of account as follows:

 Ground rent for 2023
 £165.00

 Ground rent for 2024
 £165.00

 Ground rent for 2025
 £165.00

 Interest
 £4.96

Stage 2 late payment charge £30.00 (including VAT)

Total £529.96

- 17. The letter warned that if the account was not settled within 7 days legal action may be taken resulting in additional costs.
- 18. On 30th April 2025 Andrew James Duncan, a solicitor acting on behalf of the Respondent, wrote to the Applicant by a letter sent to 43 Maes Yr Haf, Llanelli, SA15 3NF. Mr Duncan stated the Applicant owed £817.96, an updated statement of account provided a breakdown showing that in addition to the balance of £529.96 as at 10th April 2025, an additional £88.00 administration charge to instruct solicitors, plus a £200 administration charge for solicitor's fees were also levied.
- 19. The parties exchanged a series of letters and e-mails on 6th May 2025, some of which are set out below.

- 20. Firstly, by a letter dated 6th May 2025 the Applicant responded to Mr Duncan's letter explaining he disputed the validity of the ground rent notices on the grounds that in 2023 and 2025 they were sent to his previous address instead of the Property, and he had not provided an alternative address for the service of notices. He states that he telephoned Eaves to try to correct this, but to no avail. Therefore, he argued, the notices failed to comply with section 166 so were invalid, accordingly, the Respondent was not entitled to administration charges or interest for costs incurred attempting to recover the ground rent.
- 21.Mr Duncan responded on 6th May 2025 stating he was instructed to issue proceedings on 2nd June 2025 unless the Applicant paid the amount claim.
- 22. Also, on 6th May 2025 the Applicant e-mailed Mr Duncan reiterating his position, but adding he is willing to pay the ground rent on receipt of valid notices, and invited the Respondent to withdraw its claim for £817.96 within 14 days, otherwise he would apply to the Tribunal for a determination regarding the ground rent.
- 23. It is against this background that the Applicant filed the Application on 27th May 2025 requesting a determination of the following:
 - 23.1 A determination of whether any ground rent is lawfully due;
 - 23.2 Confirmation that legal, administration and interest charges are unenforceable; and
 - 23.3 Clarification that future notices must comply with section 166(6) of the 2002 Act.
- 24. The Applicant also requested that if the Application is successful, the Tribunal should direct the Respondent reimburses his application fee.
- 25. The Tribunal issued an order dated 18th June 2025 which included the following directions:
 - 25.1 By 12 noon on 16th July 2025 the Applicant shall send to the Tribunal and the Respondent a detailed statement regarding his case and a signed statement of truth.
 - 25.2 By 12 noon on 6th August 2025 the Respondent shall send to the Tribunal and the Applicant a detailed statement setting out its response to the Application, with a signed statement of truth.
- 26. The Applicant duly filed and served a detailed statement on 23rd June 2025.
- 27. On around 1st July 2025 the Respondent sent further notices for ground rent for 2023, 2024 and 2025, this time addressed to the Property. Except that each notices relate to ground rent for a different period, they are otherwise all the same in that they are all dated 21st January 2025, and all claim payment of the ground rent is due by 20th February 2025.

- 28. On 1st July 2025 the Applicant e-mailed the Tribunal acknowledging receipt of the ground rent notices, confirming these were sent to the Property. He noted they were all dated 21st January 2025, and sought clarification as to whether the Respondent was withdrawing its claim for administration charges and interest.
- 29. In its statement dated 5th August 2025, the Respondent refers to the Applicant's 1st July 2025 e-mail which it states accepts ground rent notices were properly served. The Respondent's statement continues, due to the change of managing agents, the Respondent does not have in its possession authorisation from the Applicant to use 43 Maes Yr Haf, Llanelli, SA15 3NF. The Respondent states the Applicant's address when registering the lease at Land Registry is shown as 43 Maes Yr Haf, Llanelli, SA15 3NF. It notes there is no requirement to send this documentation to the Respondent or its agent, thus implying Eaves would have obtained that address from Anthem, who in turn would only have obtained it from the Applicant. Nonetheless, the Respondent has decided to re-send the notices to the Applicant at the property, the Applicant has confirmed receipt of these, and yet has not paid the £495.00 that he stated he was willing to pay. The Respondent requests the Tribunal directs the Applicant to pay this.
- 30. The Respondent agrees that future notices must comply with section 166(6) of the 2002 Act, and that it still claims for costs incurred attempting to recover payment of the ground rent, relying on sub-paragraph 5-12.3 of Schedule 5 to the lease.
- 31. In the circumstances, the Respondent requests the Applicant pays the ground rent of £495.00, and administration charges plus interest.
- 32. On 6th August 2025 the Applicant wrote to the Respondent and the Tribunal disputing the Respondent's contention that he has accepted valid ground rent notices have been served. He emphasises, he acknowledged receipt but not validity. He further clarifies he disputes the more recent notices are valid because by stating payment of the ground rent is due by 20th February 2025, they fail to comply with section 166(3) of the 2002 Act. He requests that in addition to the Tribunal determining the matters set out at paragraphs 23.1 to 24 above, it determines that the ground rent notices sent on around 1st July 2025 are invalid.
- 33. Although not part of the original application, as both parties have requested we determine the validity of the ground rent notices sent on around 1st July 2025, we have done so.

The Law

- 34. The requirement to notify a leaseholder of the ground rent due is set out at section 166 of the 2002 Act, which reads as follows:
 - (1) A tenant under a long lease of a dwelling is not liable to make a payment of rent under the lease unless the landlord has given him a notice relating to the payment; and the date on which he is liable to make the payment is that

specified in the notice.

- (2) The notice must specify—
 - (a) the amount of the payment,
 - (b) the date on which the tenant is liable to make it, and
 - (c) if different from that date, the date on which he would have been liable to make it in accordance with the lease,

and shall contain any such further information as may be prescribed.

- (3) The date on which the tenant is liable to make the payment must not be—
 (a) either less than 30 days or more than 60 days after the day on which the notice is given, or
 - (b) before that on which he would have been liable to make it in accordance with the lease.
- (4) If the date on which the tenant is liable to make the payment is after that on which he would have been liable to make it in accordance with the lease, any provisions of the lease relating to non-payment or late payment of rent have effect accordingly.
- (5) The notice—
 - (a) must be in the prescribed form, and
 - (b) may be sent by post.
- (6) If the notice is sent by post, it must be addressed to a tenant at the dwelling unless he has notified the landlord in writing of a different address in England and Wales at which he wishes to be given notices under this section (in which case it must be addressed to him there).
- (7) In this section "rent" does not include—
 - (a) a service charge (within the meaning of section 18(1) of the 1985 Act), or
 - (b) an administration charge (within the meaning of Part 1 of Schedule 11 to this Act).
- (8) In this section "long lease of a dwelling" does not include—
 - (a) a tenancy to which Part 2 of the Landlord and Tenant Act 1954 (c. 56) (business tenancies) applies,
 - (b) a tenancy of an agricultural holding within the meaning of the Agricultural Holdings Act 1986 (c. 5) in relation to which that Act applies, or
 - (c) a farm business tenancy within the meaning of the Agricultural Tenancies Act 1995 (c. 8).
- (9) In this section—

"dwelling" has the same meaning as in the 1985 Act,

"landlord" and "tenant" have the same meanings as in Chapter 1 of this Part, "long lease" has the meaning given by sections 76 and 77 of this Act, and "prescribed" means prescribed by regulations made by the appropriate national authority.

Conclusion on the Issues and Decision of the Tribunal

- 35. Having carefully considered each parties' written evidence, submissions, and the relevant law, we have concluded that the Respondent has not complied with the requirements section 166 of the 2002 Act in respect of any of the ground rent notices relied on.
- 36. It is common ground that the ground rent notices for the Property sent to the Applicant prior to 10th April 2025 were not sent to the Property, but instead were sent to 43 Maes Yr Haf, Llanelli, SA15 3NF. Therefore, the first issue to be determined is whether the Applicant notified the Respondent of that address to be used for the service of documents as required by clause 7.2 of the lease, noting that section 166(6) requires any such notification to be in writing. The Applicant maintains he did not do so. The Respondent does not positively assert that the Applicant did so, and does not have any written notification of this. It says written notification would have been sent to the previous managing agents. Instead, the Respondent invites us to infer that because Land Registry documentation showing the Applicant's previous address is not routinely sent to a landlord when a lease is assigned, the landlord and its managing agents would have obtained the address from the Applicant.
- 37. We accept the Applicant's evidence and find on the balance of probabilities he did not provide his previous address as an alternative address for service for a number of reasons. Firstly, the Applicant's express denial is more persuasive than the inference the Respondent invites us to make where the Respondent is unable to make any positive assertion. Secondly, there seems no reason why the Applicant would authorise documents to be served on an address he no longer lives at. Thirdly, there may be any number of reasons why the previous managing agents might have the Applicant's former address, that it had his previous address, on its own, does not necessarily mean he provided it to them as an alternative address for service.
- 38. In light of the above conclusion, it means the ground rent notices prior to 10th April 2025 which were sent to the Applicant at 43 Maes Yr Haf, Llanelli, SA15 3NF were not served in accordance with section 166(6). Therefore, the notices are invalid.
- 39. Consequently, the Respondent is not entitled to rely on those earlier (invalid) notices to recover the ground rent. Therefore, as at 4th February 2025 when the Respondent added interest in respect of the unpaid ground rent, it was not entitled to do so. By paragraph 5-13 of the Fifth Schedule, the Applicant's statutory rights under section 166 remain protected, therefore the Respondent is not entitled to claim interest for any amount, even if unpaid after 14 days. That is because the Respondent did not comply with its legal obligations under section 166(6) in relation to the payment, or more specifically in relation to its notice for payment.
- 40. The Respondent relies on paragraph 5-12.3 to claim administration charges for its costs incurred in attempting to recover the unpaid ground rent. However, that provision specifies payment may only be claimed in relation to arrears. In

light of paragraphs 37 to 39 above, we find that neither the ground rent nor interest were payable as at 4th February 2025, nor were administration charges payable as at 10th and 29th April 2024 when the Respondent added these to the Applicant's account. It follows that if there were no arrears, paragraph 5-12.3 could not be relied on to levy administration charges.

- 41. Finally, regarding the substantive issues, and the ground rent notices sent on around 1st July 2025. These notices required payment of rent on 20th February 2025. However, by section 166(3) the date on which the payment is to be made must not be less than 30 days or more than 60 days after the date the notice is sent. In this case, because the date by which the notice states payment is required pre-dates the notice being sent, it inevitably gives less than 30 days' notice, and is therefore invalid.
- 42. We note the Applicant seeks a declaration that future ground rent notices must comply with section 166(6) of the 2002 Act, and we hereby record the Respondent expressly accepts future notices must comply with section 166(6) of the 2002 Act, we therefore do not consider a declaration is required.
- 43. As to the Applicant's request that the Tribunal directs the Respondent reimburses him for the Tribunal application, we do not have jurisdiction to make the direction sought.
- 44. By rule 51(1) of the Residential Property Tribunal Procedures and Fees (Wales) Regulations 2016 the Tribunal may direct a party reimburses another party the whole or part of an application fee. However, that jurisdiction is limited to fees paid in respect of applications made under specific legislation, and applications made under the 2002 Act is not amongst those covered by rule 51(1).

Dates this 8th day of October 2025

Tribunal Judge Tueje