

## Legal Briefing

### **Ted Lowery considers an unsuccessful attempt to expand jurisdictional arguments at enforcement**

*Murnells London Limited v Christopher Beale [2025] EWHC 2651 (TCC)*

In the Business and Property Courts in Liverpool

Before District Judge Baldwin

Judgment delivered 4 September 2025

#### **The facts**

On 9 June 2023, Mr Beale issued a letter of intent to Murnells Limited for renovation works to Foxhill Manor in Northamptonshire. The letter of intent provided for a capped payment of £100,000 that could only be increased by written notice from Mr Beale and that, in the event of any conflict between the letter of intent and any subsequent building contract, the letter would prevail.

On 22 September 2023 Mr Beale's quantity surveyors circulated a first draft detailed building contract. Whilst further versions were exchanged during 2024, no mutually executed building contract was ever produced. The exchanged drafts were identical in all material aspects and identified the contractor as Murnells London Limited - a separate company.

During 2024, the contractor applied for an extension of time to 11 November 2024 and in response to a request for more information, provided a programme of works extending to 24 April 2025. The parties' exchanges concerning the extension of time variously referred to both Murnells Limited and to Murnells London Limited.

On 26 November 2024, Mr Beale issued a contractual termination letter addressed to Murnells London Limited alleging repudiatory breach because of the delay to the works. On 27 November 2024, Murnells London Limited responded that the termination was unlawful and amounted to a repudiation by Mr Beale. Murnells London Limited commenced adjudication on 5 March 2025. On 13 March 2025, Mr Beale challenged the adjudicator's jurisdiction on a general basis, reserving the right to raise any future arguments in relation

to jurisdiction in due course, and specifically that no dispute had crystallized in relation to the extension of time to 24 April 2025 where the only formal application submitted had sought a revised completion date of 11 November 2024.

On 14 March 2025, the adjudicator rejected Mr Beale's challenge on grounds that the extension of time claim was aired before the dispute crystallized and the general gist of the claim was known. On 17 March 2025 and in more detail on 20 March, Mr Beale raised a further threshold jurisdictional issue that Murnells London Limited was not the correct party to the contract (alternatively, that there was sufficient doubt on this point to make any decision unenforceable) where there was no executed contract in the name of Murnells London Limited so that the building contract could only have been formed on the basis of the letter of intent issued to Murnells Limited.

The adjudicator again rejected Mr Beale's challenge on grounds that the version of the building contract issued by his quantity surveyors in September 2023 identified Murnells London Limited as the contractor and had been signed by Murnells London Limited during January 2024: this comprised a concluded building contract superseding the letter of intent.

In a decision issued on 14 May 2025, the adjudicator awarded Murnells London Limited £365,33.97 plus interest. Murnells London Limited subsequently commenced enforcement proceedings.

In opposing enforcement, Mr Beale relied upon the points made to the adjudicator during March 2025, i.e. that there was significant doubt over whether Murnells London Limited was a party to the building contract so that the letter of intent took precedence and that the dispute over an extension of time to 24 April 2025 had not crystallized. Mr Beale also raised three further points relating to the letter of intent: (i) that the £100,000 cap had been waived; (ii) that where the letter of intent expressly prevailed over the terms of the building contract, the former made Murnells Limited the contracting party; and (iii) that if Murnells London Limited was the party named in the building contract, the building contract should be rectified to refer to Murnells Limited.

# Legal Briefing

## The issues

Should the decision be enforced?

## The decision

The judge agreed with Murnells London Limited that Mr Beale had waived his right to raise the three further points on the letter of intent: Mr Beale ought to reasonably have been aware of item (i) as at March 2025 and in the absence of any notice from Mr Beale increasing the cap, this point anyway had insufficient prospects of success. As to items (ii) and (iii), these were fall back arguments that should and could have been specifically advanced in March 2025 alongside Mr Beale's submission that there was no executed building contract in place. The judge found that to consider these points as having been sufficiently presented under cover of Mr Beale's general reservation and/or his submission to the adjudicator that Murnells London Limited was not the correct party to the building contract would be to allow an impermissible expansion of the jurisdictional issues at enforcement stage.

Albeit that Mr Beale was entitled to argue before the court the points made in March 2025, the judge considered neither compelling: Mr Beale's quantity surveyors had been unable to adequately explain why the September 2023 version of the building contact identified Murnells London Limited as the contractor and absent any recorded challenges to this identification, the argument that the building contract was formed on the basis of the letter of intent issued to Murnells Limited had only fanciful prospects of success. As to crystallization, the authorities were clear that a claim will be deemed disputed if not accepted in whole or in part within a reasonable period of time and that the absence of particularisation within that claim is not a persuasive ground for resisting enforcement.

## Commentary

The judgment includes a handy summary of the case law principles concerning waiver and general reservations as to jurisdiction. Here the judge rejected Mr Beale's submission that the three further points on the letter of intent comprised arguments founded upon the evidence before the court: rather, these discrete points could and should have been made during March 2025 and reflected an impermissible attempt by Mr Beale to suggest that the adjudicator should have resigned on the basis of arguments not put to him.

**Ted Lowery**

January 2026