



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

**Case reference** : **LON/00AJ/LSC/2024/0679**

**Property** : **Thorpe Hall Mansions, Eaton Rise, W5  
2HB**

**Applicant** : **Lessees at Thorpe Hall Mansions**

**Representative** : **Richard Granby of Counsel**

**Respondent** : **Swanside Residents Association Limited**

**Representative** : **Cameron Stocks of Counsel**

**Type of application** : **For the determination of the liability to  
pay service charges under section 27A of  
the Landlord and Tenant Act 1985**

**Tribunal members** : **Judge H Carr  
Mr D Jagger MRICS**

**Venue** : **10 Alfred Place, London WC1E 7LR**

**Date of hearing** : **31<sup>st</sup> March 2025**

**Date of decision** : **17 May 2025**

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**DECISION**

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### **Decisions of the tribunal**

- (1) The tribunal determines that the sums set out on the Scott Schedule are payable by the Applicants in respect of the service charges for the years in dispute.
- (2) The tribunal makes the determinations as set out under the various headings in this Decision
- (3) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 limiting the landlord's costs of the tribunal proceedings to be passed to the lessees through any service charge to £1500.

### **The application**

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicants in respect of the service charge years 2017 – 2018 and 2022 -23 inclusive (actual charges) and service charge years 2023 -24 and 2024 -25 (estimated charges).

### **The hearing**

2. The Applicants were represented by Richard Granby of Counsel (instructed by Dean Wilson LLP) at the hearing and the Respondent was represented by Cameron Stocks of Counsel.
3. Mr Korwaser attended and gave evidence for the Applicants. He is a leaseholder and a Director of both Thorpe Hall Mansions (Old Block) RTM Company Limited and Thorpe Hall Mansions (New Block RTM Company Limited
4. Mr Grey attended and gave evidence for the Respondent. He is a director of Swanside Residents Association Ltd and owns roughly 30% of the shares in that company.
5. An issue arose concerning responsibility for drainage charges and submissions on this issue were provided by the parties after the hearing. These submissions are dealt with below.

### **The background**

6. The property which is the subject of this application is a complex of buildings/estate ("the Estate") located in Eaton Rise registered under title number MX197930. The Estate is in the Montpellier Conservation

area of Ealing. The Estate consists of three buildings; the “Old Block”, “New Block” and “Garage Block”. Flats 1 – 20 are in the Old Block, flats 21 – 30 are in the New Block and Flats 31 – 33 are in the Garage Block. The Old Block and New Block have exercised the Right to Manage (the latter after a Tribunal hearing) with handover dates of 21 September 2022 and 1 April 2023 respectively.

7. The Garage Block contains 8 private garages and 5 communal garage spaces on the ground floor with 3 flats built on top of the private garages.
8. The Respondent continues (as it is entitled to do) to demand service charges in respect of the common parts post the handover.
9. Neither party requested an inspection, and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.
10. The Applicants, who are 15 out of a total of 33 long leaseholders on the Estate and who are all leaseholders from either the Old Block or the New Block, hold long leases of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. The specific provisions of the lease are set out below, and will be referred to where appropriate.
11. One leaseholder, Frances Bonkowski as executor for Henrietta Bronikowski, withdrew the application on 26<sup>th</sup> March 2025.

### **Relevant terms of the leases**

12. The following terms of the leases were referred to in argument and are relevant to the tribunal’s decision

Clause 1 (B) (v) “The Service Fund” is defined as being monies payable to the Lessor by the owners of the flats in accordance with Clause 2 (ii) or as the case may be Clause 4 (vi) of this Lease.

Clause 1 (B) (vi) “The Surveyor” means the Chartered Surveyor appointed pursuant to clause 3 B hereof and for the time being holding the appointment.

“The Estimate” has the meaning given to it in Clause 3 C. 13

Clause 2 (ii) - the Lessee covenants to pay into the Service Fund the Estimate in equal instalments in advance on the First day of April and the First Day of October.

Clause 2 (xviii) - the Lessee covenants to pay all reasonable costs and expenses of the Lessor (including all solicitors' and surveyors' costs and fees) incurred in granting any consent under this Lease.

Clause 3 E - the Lessor or the managing agent... shall be entitled to employ such agents, workmen and other staff and to arrange for work to be done by contractors or sub-contractors... upon such reasonable terms as to remuneration expenditure and otherwise as the Lessor shall see fit and to defray the cost thereof out of the Service Fund.

Clause 3 F - The Lessor shall be entitled to charge for its services and to be paid out of the Service Fund in each Maintenance Year an annual fee equal to three per centum of the total of the contributions paid or payable to the Service Fund by the owners of all the flats...

The Fourth Schedule provides for the "Purposes for which the Service Fund is to be applied".

### **The issues**

13. In its Scott Schedule, (attached at Appendices 1 & 2) and confirmed at the hearing, the parties identified the relevant issues for determination as follows:

- (i) The payability and/or reasonableness of service charges relating to
  - a. Caretaking/cleaning/gardening for years 2017-2018, 2018 – 19, 2019 – 20, 2020-2021, 2021 – 2022, 2022 -2023,
  - b. Accounting for years 2017- 2018, 2018 – 19 2019 – 20, 2020-2021, 2021 -2022, 2022 -2023, 2023-24 and 2024 - 2025
  - c. Administrative charges for years 2017 – 2018, 2018 – 2019, 2019 -20, 2020-2021, 2021 -2022, 2022-2023, 2023 – 2024 and 2024 - 2025
  - d. Sundry 2018 – 19, 2019 -20
  - e. Drainage repairs 2022-2023, 2023 -24
  - f. Insurance 2023 -2024 and 2024 - 2025

- g. Electricity 2023 -2024 and 2024 - 2025
- h. Water 2023 -2024 and 2024 - 2025
- i. Drains maintenance 2023 – 2024 and 2024- 2025
- j. Drains project 2023 -24
- k. Gardening 2023 -24 and 2024- 2025
- l. Garden project 2023 -24
- m. Pest control 2023 – 2024 and 2024 - 2025
- n. Bank charges 2023 – 2024
- o. Expenses, offices and IT 2024 – 2025
- p. Legal and Professional fees 2024 -2025
- q. Reserve contribution 2023 -24 and 2024 -2025
- r. Postage and stationary 2023 – 2024
- s. Managing agent fees 2024 -2025

### **Submissions from Applicants**

14. The Applicants' case is that the amounts payable under the service charge are unreasonable, or the service provided is unreasonable or unnecessary. They say they have limited information about the costs of services provided as there has been limited disclosure of invoices and no proper breakdown of budgeted sums. Individual charges are unclear.
15. The Applicants say that the context of the application needs to be understood. The period covered by the application relates to a period in which the Respondent was managing the entire estate and a subsequent period following the Right to Manage companies taking over the management of the Old Block and the New Block. In this period the Respondent continues to manage the garage block and the general estate.
16. The Applicants do not consider that they are getting good value for money or that the estate charges are being performed either reasonably or at a reasonable cost.

17. The Applicants further point out that the relationships between the parties

### **Submissions from the Respondent**

18. The Respondent denies that it has provided limited information and argues that the Applicants, if they have grounds to believe that they have limited information, should have made applications for disclosure.
19. The Respondent says that the Applicants made no attempt to engage with the Respondent prior to the issue of the application.
20. The Respondent says that the Applicants appear to be using the application as a fishing exercise in order to obtain information from the Respondent on which to base a reasonableness challenge. The Respondent says that this is wholly inappropriate.
21. The Respondent says that the Applicants have not, in their statement of case, disclosed their case which means that the Respondent is not able to answer it.

### **Scott Schedule**

22. The parties provided two Scott Schedules at pages of the bundle. The Scott Schedule sets out the principal arguments of the Applicants and the Respondent's response.
23. The tribunal attaches those Schedules with its determinations at Appendix 1 and 2 of this decision. The first Scott Schedule deals with actual charges and the second with estimated charges.
24. The Applicants have provided further arguments on the issues raised which are set out below, including the tribunal's response.
25. Having heard evidence and considered the submissions from the parties and considered all of the documents provided, the tribunal has made determinations on the various issues as follows.

### **Caretaking/cleaning/gardening for years 2017- 2018,2018 – 19, 2019 – 20, 2020-2021, 2021 – 2022, 2022 -2023,**

26. The Applicants raise no substantive challenge to the caretaking/cleaning costs although they dispute the grouping together of the charges for caretaking, cleaning and gardening.
27. The evidence is that there are gardens to the front and back of the buildings. They say the gardens look neglected and provided

photographs from 2020 and 2025 to suggest this. The Applicants say that they have not seen the service level agreement.

28. They suggest that the gardening charges should be approximately £5000 annually. They say that is probably more than is likely to be required but that level of charges would be acceptable.
29. They have obtained some quotes from other companies. BL Gardening Limited quoted for monthly visits at total cost of £1,800 per year, and from Rance Landscapes approximately £504 per visit including VAT based on fortnightly visits and a formal quote on monthly visits is awaited.
30. The Respondent says that there is no substance to the Applicants' challenge and that the photographs provided, as they are taken in different seasons, do not reveal anything noteworthy about the quality of gardening.

### **The tribunal's decision**

31. The tribunal determines not to reduce the amounts charged in the years in dispute.

### **Reasons for the tribunal's decision**

32. The tribunal considered the evidence of the Respondent and the arguments of the Applicants. It finds that the Applicants have failed to discharge the burden of proof to show that the costs involved are unreasonable.
33. The photographs provided were not helpful in demonstrating a lack of service provision. They were taken at different times of the year and a snapshot of gardens in different states of care does not really assist the Tribunal in determining the quality of a service.

### **Accounting and Audit costs for years 2017- 2018, 2018 – 19 2019 – 20, 2020-2021, 2021 -2022, 2022 -2023,**

34. The Applicants say that under 3F of the lease the lessor is entitled to charge 'for its services' an annual fee equal to 3% of the total of the contributions paid or payable to the Service Fund, save for any parts attributable to paragraphs 9 and 20 of the Fourth Schedule. Paragraphs 9 and 10 of the Fourth Schedule are the costs of auditing and preparing accounts, a communal television aerial, entry phone, fire and burglar alarm systems

35. The Applicants argue that although they agree that the lease requires an audit in relation to the Service Fund, this only refers to sums under Clause 2(ii) and 4(vi). Clause 2(ii) relates to the service charges and 4(vi) relates to the unleased parts of the estate. They say it does not require an audit of the entire estate expenditure.
36. They argue that the leases are principally dated in the early 1990s and the standard of auditing requirements at that time need to be considered. They say it is not possible to derive a common sense meaning from the clause as the auditing requirements relate to advance service charges and a part of the estate not let out on long leases or retained by the Freeholder. The Applicants argue that the tribunal should be slow to interfere with the strict requirements of the lease or seek to impose any different interpretation. In the circumstances it is considered that auditing is not in fact required under this lease.
37. They also say that the audit fees in themselves are not unreasonable if auditing is required. However the Applicants also argue that the auditing charges are excessive.
38. The Respondent says, in connection with payability under the lease, that it cannot understand how the Applicants reached their conclusion that the requirements for an audit under the Leases does not apply to the 'entire estate expenditure'. This is inconsistent with their conclusion that the Fourth Schedule includes provision for 'expenses incurred in the running and management of the estate.
39. In connection with reasonableness of the costs of the audit the Respondent highlights the contradictions in the Applicants case, and says that there is no evidence to suggest that the fees are anything but reasonable and therefore this challenge should be dismissed.

### **The tribunal's decision**

40. The tribunal determines that the amount payable in respect of audit and accounting is reasonable and payable for the years in dispute.

### **Reasons for the tribunal's decision**

41. The tribunal prefers the argument of the Respondent. It considers that the audit charges are payable under the lease relying on the Fourth Schedule and agrees with the Respondent that there is no evidence before it that the charges are unreasonable.

### **Administration charges**



42. The Applicants say that the system employed by the Respondent appears to be that they charge a figure of £15000, out of which they pay directors fees, company secretarial charges and the managing agents fees.
43. The current managing agents are Colin Bibra and they would like to see full disclosure of the invoices raised by them.
44. The Applicants say that any administration charges in excess of the managing agents fees are unreasonably incurred and unreasonable in amount. They receive no services of value directly from the Respondent.
45. The Applicants say that there is limited or no breakdown of administration charges. They argue that the administration costs appear to include a profit element for the Respondent over and above its actual invoiced services for management fees.
46. The Applicants argue that expenses, office and IT should not be charged separately from the administration fees and capped in accordance with the lease at no more than 3%
47. The Applicants also suggest that the sums charged may not be reasonable.
48. On behalf of the Respondent, Mr Grey provided time sheets for his work at the property. He said that his charging rate is £400 per day.

### **The tribunal's decision**

49. The tribunal determines that the amount payable in respect of administration charges for work done by the Respondent is limited to 3% of the service charges.

### **Reasons for the tribunal's decision**

50. The tribunal relies on the terms of the lease. Clause 3 F of the lease provides that, ' The Lessor shall be entitled to charge for its services and to be paid out of the Service Fund in each Maintenance Year an annual fee equal to three per centum of the total of the contributions paid or payable to the Service Fund by the owners of all the flats'.
51. The tribunal therefore accepts the argument of the Applicants.

### **Drains project 2023 -24**

52. The Applicants have two arguments in connection with drainage costs. First they say that consultation in respect of the drainage costs carried out was commenced and not completed. Second, they say that the costs are not reasonable.
53. The Respondent concedes that consultation was not completed on the drainage project. It does not wish to make an application for dispensation from consultation as the costs, at £255 are only a little more than the £250 threshold.
54. The tribunal raised a further issue about the location of the drains. The parties provided submissions after the close of the hearings.
55. The tribunal asked for further submissions from the parties in connection with the recoverability of the costs of drainage repairs in the service charge year 2022 – 23.
56. The Respondent argues that the costs are payable by the Applicants because (a) those costs were incurred prior to the acquisition of the Right to Manage by the Applicants and (b) even if the Old Block RTM was acquired before the costs were incurred the evidence is
57. The Respondent says that despite the parties working under the assumption that the Old Block RTM was acquired on 21<sup>st</sup> September 2022, in actual fact the Old Block did not acquire the RTM for the purposes of Commonhold and Leasehold Reform Act 2002 until 29<sup>th</sup> October 2022. As the costs were incurred on 30<sup>th</sup> September 2022 the Applicants are liable for the monies whether or not the drains are part of the common estate or part of the Old Block.
58. In the alternative the Respondent argues that the drains continue to be the responsibility of the Respondent and it can recover the costs as part of the central estate services. The drain survey provided to the tribunal demonstrates that the pipework does not exclusively serve the Old Block and forms part of the communal drainage for and is primarily located on the wider estate.
59. The Applicants do not accept the Respondent's argument on the date of the acquisition of the RTM by the Old Block. However, for the purposes of this determination they accept that the costs are recoverable per se as an estate charge as the Applicants have no evidence to the contrary in terms of the plans provided by the Respondent. The Tribunal notes that the Applicants reserve their

position in relation to future charges once they have had the opportunity to carry out their own investigations on site if required.

### **The tribunal's decision**

60. The tribunal determines that the amount payable in respect of drains repairs for the year ending 31<sup>st</sup> March 2023 is £ 250 per leaseholder. .

### **Reasons for the tribunal's decision**

61. The tribunal notes and accepts the concession of the Respondent re its failure to consult on the drains project.
62. In the light of the concession of the Applicants for the purposes of this application that the charge is payable by the estate, there is no need for the Tribunal to make a determination on the date of acquisition of the RTM nor on the question of whether the drains form part of the RTMs or the common estate.
63. There is no evidence that the charges are not reasonable.

### **Handover charges**

64. The Applicants argue that in the year of the handover individual leaseholders separately paid a fee of £1760 to the Respondent for dealing with the handover information. It is the Applicants' case that any charges for the handover should not be charged at all or should be credited in full against administration charges for the year.
65. The Respondent says that the Applicants have not made out the case about handover charges and there is no basis for the tribunal to find that the sum should not have been charged or should be credited to the Applicants.
66. The Respondent argues that Paragraph 7 of the Fourth Schedule provides a broad ability for the Respondent to recover "all...expenses incurred by the Lessor: (a) in the running and management of the Estate" which the handover costs consequential on the acquisition of the RTMs would fall squarely within

### **The tribunal's decision**

67. The tribunal has no jurisdiction to make the determination that the Applicants seek. .

### **Reasons for the tribunal's decision**

68. The payment for the handover of documents does not appear to have been a service charge but an amount agreed between the parties for the provision of the documents.

### **Managing Agents Fees**

69. The Applicants argue that the management fees are excessive.
70. They say that they made some attempt to come to an arrangement with the Respondent whereby the managing agent appointed by the RTMs for the Old Block and the New Block could administer the remaining parts of the estate which they argue would result in considerably lower fees. less. They gave evidence that were HMS instructed by a single client to manage the entire estate, its charges for 2024 are stated to be £8,118 including VAT and with separate instructions £9,662 including VAT, and for 2025, £8,910 including VAT and £10,454.40 including VAT. An additional Company Secretarial fee of £245 plus VAT would be payable. The Applicants argue that the costs should be capped at this level.
71. The Respondent says that it is not reasonable to expect the Respondent to accede to demands to appoint the RTMs new managing agent in place of its longstanding agent.
72. Moreover the Respondent considers the fees charged by Colin Bibra to be within market standards. He says that Colin Bibra charge Swanside their minimum fee. Mr Grey says that a number of other local property estate managers or managing agents have been considered but none offered property estate managers or managing agents have been considered but none offered sufficient saving sufficient to warrant moving.
73. Colin Bibra have been charging £7,326 per year pre-RTM and £3,600 per year post- RTM.
74. The Respondent obtained an alternative quote which amounted to £17,500.
75. The Respondent says that it would have significant concerns with respect to instructing HMS to manage the entire estate given their previous conduct and lack of ARMA accreditation.

76. The Respondent is concerned that having reached an agreement with the RTM in respect of the service charge budgets for the year 2023/24 the RTMs acting through HMS as managing agents unilaterally decided to demand 50% of the budgeted sums sought by the Respondent and collected in those sums but failed to pay the sums to the Respondent.

### **The tribunal's decision**

77. The tribunal determines that the amount payable in respect of management fees is reasonable and payable. .

### **Reasons for the tribunal's decision**

78. The tribunal agrees with the Respondent that the Applicants cannot insist on their own managing agent being instructed to manage the whole of the property.
79. It draws on its own experience and the evidence of the Respondent to determine that the charges are reasonable.

### **Sundry 2018 – 19, 2019 -20**

80. The Applicants challenge the payment for sundries demanded in 2018 – 19 and 2019 – 20.
81. The Respondent says that the challenge is unspecified and fails to raise a proper challenge on reasonableness and payability.

### **The decision of the Tribunal**

82. The tribunal determines that the charges for sundries are not payable.

### **The reasons for the decision of the Tribunal**

83. In the bundle provided by the Respondent at the beginning of February 2025 there are a number of invoices provided by to explain the sundries. These invoices relate to additional expenses incurred by the managing agents including items like postage and Mr Grey's expenses.
84. The tribunal determines that those costs must be included in the managing agents fees unless the charges are for services over and above the management contract. There has been no evidence provided to the tribunal that such services have been provided. In the alternative,

if they are expenses incurred by Mr Grey, they should be included in the 3% charge.

**Budget for 2023 – 24 and 2024 – 25**

85. The Applicants dispute the budgets for 2023 – 24 and 2024 – 25. They say that the budgets prepared do not appear to have been prepared in accordance with the lease. They cannot understand why the estimates are so high when the Respondent's responsibilities are much reduced. Their specific points are as follows:

**(i) For 2023/24**

- (a) Utility charges maybe too high. They should be able to be determined from previous years bills.
- (b) The Applicants believe the budget of £7,2000 for gardening to be an increase on previous years costs.
- (c) The item for picking up fruit is contested.
- (d) The administration fee of £15,000 was the fee for the entire estate for previous years, which is considered to be excessive and unsupported. It cannot be the same when the role of the Respondent is much reduced.
- (e) There are items for Bank charges of £120 and postage and stationery of £200 which are considered to be unreasonable .
- (f) The charge of £5,000 for a drains project is disputed particularly because of the history of drainage work on the Estate.
- (g) The one off charge of £2,000 for a garden project is unexplained

**(ii) For 2024/25**

- (a) The budgeted sum in 2023/24 for insurance was £500. £800 for insurance in 2024/25 is

considered to be excessive and an arbitrary increase.

- (b) The budgeted sum for electricity in 2023/24 was £800. Invoices have not been disclosed and £1,200 is considered to be excessive and an arbitrary increase.
- (c) The budgeted sum for water in 2023/24 was £600. Actual costs have not been disclosed and £1,000 is considered to be excessive and an arbitrary increase.
- (d) For the drains the budgeted sum in 2023/24 was £650. Actual costs have not been disclosed and £1,000 is considered to be excessive and an arbitrary increase.
- (e) For gardening the budgeted sum in 2023/24 was £7,200. Actual costs have not been disclosed and £8,000 is considered to be excessive and an arbitrary increase.
- (f) The three-fold increase to £3,000 of the costs of pest control is not understood compared to the quote obtained from Cleankill and is considered to be unreasonable.
- (g) There is an item for Expenses, Office and IT for £1,770. There is no explanation.
- (h) Accountancy fees are considered to be unreasonably high, in addition to the alleged legal and professional fees due. Without sight of the justification, full rates, and breakdown the Applicants object to this sum.
- (i)
- (j) The Applicants do not understand why legal fees are budgeted for. They seem to be pre-emptive and should be removed from the budget.
- (k) There are items for administration for the freeholder and the managing agents of £5,000 each. The Applicants do not accept that these are reasonable and payable.

- (l) The budgeted sum for the reserve fund of £4500 is unreasonable and no explanation is given for why this should increase from £1500.

86. The Respondent says that it does not understand why the Applicants consider that the budgets have not been prepared in accordance with the lease. The Applicants have not argued a case but simply asserted it.
87. It says that the Applicants unspecified allegations about the budget are simply a fishing exhibition. They have not, according to the Respondent, discharged the burden of proof.
88. As to the entry for expenses office and IT, the Respondent says such costs fall within Paragraph 7 of the Fourth Schedule as expenses of the Respondent in the management and running of the Estate.

### **The tribunal's decision**

89. The tribunal determines that the amount payable in respect of estimated service charges for year ending 31st March 2024 should be reduced to a recalculation of the administrative costs to 3% of the estimated service charges to which the estimated management fees can be added but additions for postage etc cannot be added, and for the year ending 31st March 2025 should be reduced by a recalculation of the administrative costs to 3% of the estimated service charges, by deleting the cost of £1770 for Office Expenses and IT and by reducing the reserve fund contribution to £1500.

### **Reasons for the tribunal's decision**

90. The Applicants should note that these are estimated costs and the Applicants will get a further opportunity to challenge the costs when the actuals are confirmed.
91. The Applicants have provided very limited evidence as to why the estimated charges are not reasonable and in those circumstances the tribunal has confirmed the estimated costs as set out in the Schedule at Appendix 2.



92. However the tribunal determines that the Respondent is not entitled to administration costs over and above 3% of the estimated service charges and therefore it has reduced those elements of the estimates for both budgeted years. It has also taken out of the estimates other costs for IT and Office expenses which it determines should be included in the 3% charge.
93. The tribunal also considers that the estimated reserve fund charge for the year ending 2025 should be reduced to £1500 as there is no evidence from the Respondent supporting a higher charge, particularly in the light of its reduced management burden.

#### **Application under s.20C and refund of fees**

94. Taking into account the determinations above, the tribunal does not order the Respondent to refund any fees paid by the Applicant
95. In the application form the Applicants applied for an order under section 20C of the 1985 Act. Having heard the submissions from the parties and considering the determinations above, the tribunal determines to make an order under section 20C of the 1985 Act limiting the costs of the Respondent to £1500. It considers that it is just and equitable to do so because, whilst the Respondent has succeeded in defending the majority of its charges, the issue about the level of administration fees is significant for the Applicants, and strongly resisted by the Respondent. Further the tribunal agrees with the Applicants that the Respondent has taken an unhelpful approach to resolving the dispute with the Applicants. Many necessary documents were not provided to the Applicants until six weeks before the hearing. A more open and helpful attitude may have avoided the need for a hearing.

**Name:** Judge H Carr

**Date:** May 2025

#### **Rights of appeal**

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.

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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

**APPENDIX 1: SCOTT SCHEDULE OF ACTUAL CHARGES FOR THE YEARS IN  
DISPUTE**

**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2018**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/ Cleaning/ Gardening	£14,567.00	Subject to provision of a breakdown gardening costs exceeding £5,000 would be objected to on the basis of it being unreasonable. The tenants objection to gardening	The Applicants have not raised any specific allegation and instead have objected to these costs in principle. This does not come close to raising a prima facie challenge to	Tribunal confirms the charges of <b>£14,567</b> are reasonable on the basis of a lack of evidence that the sums charged are unreasonable.

		costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.	the gardening costs.	
Accounting	£3,096.00	Accounting charges are for an audit for the entire Estate. Individually these charges if evidenced by invoices may be reasonable subject to the provisions of the Lease and subject to the inclusion of accountancy elements within the administration charges. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.	The Applicants do not raise any specific reasonableness objections to these sums. As set out in the statement of case their evidence is that such sums are not unreasonable.	The Tribunal confirms the charges of <b>£3,096.00</b> as reasonable and payable under the lease. It agrees with the Respondent that there are no specific reasonableness objections to these sums.
Administration charges	£15,000	Full disclosure of all invoices amounting to this sum are required. The Managing Agent for Swanside is Colin Bibra. Their invoices must	As above	Administration charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The

		<p>be produced to establish the actual cost and any profit element and any additional sums and profit element must be fully justified. The Applicants may be willing to agree the sums payable to Conin Bibra subject to full disclosure of those elements. The Applicants' current Managing Agents indicate a charge of £8,118 for the entire Estate if they were managing the entire Estate (as at 2024) and £8,910.00 as at 2025. The tenant's objection can hardly be said to be unspecified. It is noted that the Respondent has failed to provide the requested details or</p>		<p>evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges charged for the year 2018 and add the management fees to this to work out what is payable by the Applicants.</p>
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		details of the service provided by Colin Bibra and the distinction between the charges.		
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**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2019**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/Cleaning/Gardeni ng	£14,147.0 0	Subject to provision of a breakdown gardening costs exceeding £5,000 would be objected to on the basis of it being unreasonable. The tenants objection to gardening costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.	As above	Tribunal confirms the charges of <b>£14,147.00</b> are reasonable on the basis of a lack of evidence that the sums charged are unreasonable.
Sundry	£375	Invoices are requested as	This allegation is	The Tribunal determines

		this amount is not known, or should be included within the administration charge. It is noted that the landlord has not produced the requested invoices.	vague and unspecified. The burden rests with the Applicants to raise a prima facie case.	that £0 is payable under this heading as no invoices have been provided.
Accounting	£3,180.00	Accounting charges are for an audit for the entire Estate. Individually these charges if evidenced by invoices may be reasonable subject to the provisions of the Lease and subject to the inclusion of accountancy elements within the administration charges. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.	As above	The Tribunal confirms the charges of <b>£3,180.00</b> as reasonable and payable under the lease. It agrees with the Respondent that there are no specific reasonableness objections to these sums.
Administration charges	£15,000	Full disclosure of all invoices amounting to this sum are required. The Managing Agent for	The Applicants' allegations are vague and unspecified. The burden rests with	Administration charges are limited to 3% of the service charges plus the managing agents fees and the

		<p>Swanside is Colin Bibra. Their invoices must be produced to establish the actual cost and any profit element and any additional sums and profit element must be fully justified. The Applicants may be willing to agree the sums payable to Conin Bibra subject to full disclosure of those elements. The Applicants' current Managing Agents indicate a charge of £8,118 for the entire Estate if they were managing the entire Estate (as at 2024) and £8,910.00 as at 2025. The tenant's objection can hardly be said to be unspecified. It is noted that the Respondent has failed to</p>	<p>the Applicants to raise a prima facie case against the Respondent .</p>	<p>accounts. The accounts have been charged as above. The evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges payable in 2019 and add the management fees to this to work out what is payable by the Applicants.</p>
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		provide the requested details or details of the service provided by Colin Bibra and the distinction between the charges.		
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**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2020**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/Cleaning/Gardening	£11,145.00	Subject to provision of a breakdown gardening costs exceeding £5,000 would be objected to on the basis of it being unreasonable. The tenants objection to gardening costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.	The Applicants have not raised any specific allegation and instead have objected to these costs in principle. This does not come close to raising a prima facie challenge to the gardening costs.	Tribunal confirms the charges of <b>£11,145.00</b> are reasonable on the basis of a lack of evidence that the sums charged are unreasonable.
Sundry	£853	Invoices are requested as this amount is not known, or should be included	As Above	The Tribunal determines that £0 is payable under this heading as no invoices

		within the administratio n charge. It is noted that the landlord has not produced the requested invoices.		have been provided.
Accounting	£4,095.00	Accounting charges are for an audit for the entire Estate. Individually there charges if evidenced by invoices may be reasonable subject to the provisions of the Lease and subject to the inclusion of accountancy elements within the administratio n charges. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.	As Above	The Tribunal confirms the charges of <b>£4,095.00</b> as reasonable and payable under the lease. It agrees with the Respondent that there are no specific reasonablenes s objections to these sums.
Administration charges	£15,000	Full disclosure of all invoices amounting to this sum are required. The Managing Agent for Swanside is Colin Bibra. Their invoices must be	As above	Administratio n charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The

		<p>produced to establish the actual cost and any profit element and any additional sums and profit element must be fully justified. The Applicants may be willing to agree the sums payable to Conin Bibra subject to full disclosure off those elements. The Applicants' current Managing Agents indicate a charge of £8,118 for the entire Estate if they were managing the entire Estate (as at 2024) and £8,910.00 as at 2025. The tenant's objection can hardly be said to be unspecified. It is noted that the Respondent has failed to provide the requested details or details of the</p>		<p>evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges for the year 2020 and add the management fees to this to work out what is payable by the Applicants.</p>
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		service provided by Colin Bibra and the distinction between the charges.		
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**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2021**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/Cleaning/Gardening	£12,118.00	Subject to provision of a breakdown gardening costs exceeding £5,000 would be objected to on the basis of it being unreasonable. The tenants objection to gardening costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.	As Above	Tribunal confirms the charges of <b>£12,118.00</b> are reasonable on the basis of a lack of evidence that the sums charged are unreasonable.
Accounting	£3,600.00	Accounting charges are for an audit for the entire Estate. Individually these charges if evidenced by invoices may be reasonable subject to the	As Above	The Tribunal confirms the charges of <b>£3600</b> as reasonable and payable under the lease. It agrees with the Respondent that there are

		provisions of the Lease and subject to the inclusion of accountancy elements within the administration charges. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.		no specific reasonableness objections to these sums.
Administration charges	£15,000	Full disclosure of all invoices amounting to this sum are required. The Managing Agent for Swanside is Colin Bibra. Their invoices must be produced to establish the actual cost and any profit element and any additional sums and profit element must be fully justified. The Applicants may be willing to agree the sums payable to Conin Bibra subject to full	As above	Administration charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges charged for the year 2021 and add the management fees to this to work out what is payable by

		disclosure off those elements. The Applicants' current Managing Agents indicate a charge of £8,118 for the entire Estate if they were managing the entire Estate (as at 2024) and £8,910.00 as at 2025. The tenant's objection can hardly be said to be unspecified. It is noted that the Respondent has failed to provide the requested details or details of the service provided by Colin Bibra and the distinction between the charges.		the Applicants.
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**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2022**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/Cleaning/Gardeni ng	£14,387.0 0	Subject to provision of a breakdown gardening costs	As Above	Tribunal confirms the charges of <b>£14,387.00</b> are

		<p>exceeding £5,000 would be objected to on the basis of it being unreasonable . The tenants objection to gardening costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.</p>		<p>reasonable on the basis of a lack of evidence that the sums charged are unreasonable.</p>
Accounting	£3,370.00	<p>Accounting charges are for an audit for the entire Estate. Individually these charges if evidenced by invoices may be reasonable subject to the provisions of the Lease and subject to the inclusion of accountancy elements within the administration charges. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.</p>	As Above	<p>The Tribunal confirms the charges of <b>£3,370.00</b> as reasonable and payable under the lease. It agrees with the Respondent that there are no specific reasonableness objections to these sums.</p>

Administration charges	£15,000	Full disclosure of all invoices amounting to this sum are required. The Managing Agent for Swanside is Colin Bibra. Their invoices must be produced to establish the actual cost and any profit element and any additional sums and profit element must be fully justified. The Applicants may be willing to agree the sums payable to Conin Bibra subject to full disclosure off those elements. The Applicants' current Managing Agents indicate a charge of £8,118 for the entire Estate if they were managing the entire Estate (as at 2024) and £8,910.00 as at 2025. The	As above	Administration charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges charged for the year 2022 and add the management fees to this to work out what is payable by the Applicants.
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		tenant's objection can hardly be said to be unspecified. It is noted that the Respondent has failed to provide the requested details or details of the service provided by Colin Bibra and the distinction between the charges.		
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**DISPUTED SERVICE CHARGES S/C YEAR ENDED 2023**

<b>ITEM</b>	<b>COST</b>	<b>TENANT'S COMMENTS</b>	<b>LANDLORD'S COMMENTS</b>	<b>LEAVE BLANK (FOR THE TRIBUNAL)</b>
Caretaking/Cleaning/Gardening (6 month charges to 30.9.2022)	£7,590.00	Subject to provision of a breakdown gardening costs exceeding £5,000 would be objected to on the basis of it being unreasonable. The tenants objection to gardening costs exceeding £5000 is on the basis of unreasonable costs and unreasonable service.	As above.	The Tribunal confirms the charges of <b>£7,590.00</b> are reasonable on the basis of a lack of evidence that the sums charged are unreasonable.
Caretaking/Cleaning/Gardening (6 month charges to 31.03.2023)	£4,912.00	See above. Additionally any services performed during this period were for the	As above. The Respondent continues to have	The Tribunal confirms that the charges of £4,912.00 are

		Garage Block only, or for the central estate services only, or for the New Block only and should not be charged to the Old Block directly as all management functions for that period were removed from Swanside. Of this sum £2,236.00 appears to have been charged for the Old Block.	responsibility for the Central Estate in addition to the Garage Block and it is therefore wrong to claim that any services relation to the Garage Block only.	reasonable on the basis of a lack of evidence that the sums charged are unreasonable. The Tribunal is not clear exactly what figure the Applicants are challenging.
Audit and Accountancy fees (6 month charges to 30.09.2022)	£3,300	Subject to provision of a breakdown, gardening costs exceeding £5000 would be objected to on the basis of it being unreasonable. The Tenants separately were charged and paid to the Landlord £1760 for relevant hand over information. The Respondent has only produced invoices amount to approximately 50% of the amount in each year.	As above	The Tribunal confirms the charges of <b>£3,300</b> as reasonable and payable under the lease. It agrees with the Respondent that there are no specific reasonableness objections to these sums. It also notes that the Scott Schedule at this point is not clear about the Applicants argument.
Audit and Accountancy fees (6 month charges to 31.03.2023)	£4,012.00	See above. Additionally any services performed during this period were for the Garage Block only and should not be charged to the Old	As above. Additionally as set out in the statement of Mr Grey, a full audit is required	The Tribunal confirms the charges of <b>£4,012</b> as reasonable and payable under the lease. It

		Block directly as all management functions for that period were removed from Swanside. The Tenants separately were charged and paid to the Landlord £1760 for relevant handover. Of this sum £2522.00 has been charged directly to the Old Block.	to ensure a separation of funds between the various blocks.	agrees with the Respondent that there are no specific reasonable objections to these sums. It also notes that the Scott Schedule at this point is not clear about the Applicants argument. The Applicants have not persuaded the Tribunal that a full audit is not a reasonable requirement.
Administration charges (6 month charges to 30.09.2022)	£7,500	Subject to provision of a breakdown, garden ing costs exceeding £5000 would be objected to on the basis of it being unreasonable. The Tenants separately were charged and paid to the Landlord £1760 for relevant handover information. The tenants objection can hardly be said to be unspecified. It is noted the Respondent has failed to provide the requested details or details of	As above	Administrati on charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The evidence suggests that the managing agents fees are reasonable. The Respondent

		the service provided by Coline Bibra and the distinction between the charges. .		must therefore calculate 3% of the service charges charged for the 6 month charges to 30.09.2022 and add the management fees to this to work out what is payable by the Applicants.
Administration charges (6 month charges to 31.3.2023)	£7500	See above. Additionally any services performed during this period were for the Garage Block only, or for the central estate services only, or for the New Block only and should not be charged to the Old Block directly as all management functions for that period were removed from Swanside. The Tenants separately were charged and paid to the Landlord £1760 for relevant handover information. Of this sum £4,715 appears to have been charged directly to the Old Block for a period during which there was no management.	As above. The Respondent continues to have responsibility for the Central Estate in addition to the Garage Block and it is therefore wrong to claim that any services relate to the Garage Block only.	Administrati on charges are limited to 3% of the service charges plus the managing agents fees and the accounts. The accounts have been charged as above. The evidence suggests that the managing agents fees are reasonable. The Respondent must therefore calculate 3% of the service charges charged for the 6 month charges to 31.03.2023 and add the

				management fees to this to work out what is payable by the Applicants.
Drainage Repairs (6 month charges to 31.03.2023)	£8,405.00	The Respondent has failed to comply with consultation requirements in relation to these repairs and the costs are considered to be unreasonable in the absence of any explanatory information. Further clarity is needed on whether such repairs were for the central estate services or benefitted any of the blocks individually.	The Respondent accepts that it has not complied with the full consultation requirements. This was a deliberate decision due to the minimal increase in recoverable sums following a full consultation period when weighed against the time and expense for the procedure.	The Tribunal limits the costs payable to £250 per Applicant. The Tribunal notes the content of the Drains Report of September 2022 and determines that it was reasonable to carry out the works.

ITEM	COST	TENANT'S COMMENTS	LANDLORD'S COMMENTS	(
Gardening	£7,200	The Applicant's previous comments regarding the overall charge apply £7200 appears to be an	The allegations made are vague and unspecified. The Respondent has	The tha are pay

		arbitrary excessive increase, which is unjustified. Re-tender process noted but not provided	provided a breakdown and specification of the works carried out and maintains that such fees are reasonable	
Fruit clearance	£500	Historically this has formed part of the gardening service and the Applicants' own quotes for gardening include fruit clearance and this should be charged for or budgeted for separately. This should form part of the gardening charge	A separate charge is levied for this service as it requires additional visits over and above the regular gardening service	The tha is r pay Res tha gar
Audit and accountancy fees	£3,600	Such fees now apply just to the central estate services. A separate budget may be produced for the Garage Block but within this service the fees are considered to be excessive and a full breakdown of rates should be provided. Contrary to the Respondent's assertions, this does not appear to be an audit	The Lease mandates an audit and the Respondent carries out an annual audit in accordance with its obligations under the Lease. The Applicants own witness evidence admits the reasonableness of the sums sought.	The tha is r pay
Administration	£15000	For the central estate services a continued administration fee at £15000 which was the fee for the entire estate is considered to be excessive and unsupported. Further, disclosure of actual costs being incurred is required. This fee should be substantially reduced in the light of the reduced management responsibilities.	The statement of Mr Grey sets out the breakdown in the administration fee levied and the work which is carried out in managing the property by the directors.	The tha adm sho the cha esti fees
Drains project	£5000	In the accounts for the year end 31 March 2023 a drains project sum of	The previous drainage project was for a CCTV survey to	The tha is r

		c.£8405 was included. A budget for this sum immediately following that is not understood and is challenged as unreasonable.	the rear of the property only. The budgeted sum is to carry out the same survey to the drains at the front of the property. The Applicants seeking to challenge the reasonableness without knowing what this sum relates to demonstrates their unreasonable conduct in this application.	pay
Garden project	£2000	This sum has not been explained but needs to be reviewed in light of the increase in gardening costs of some £2,500 in any event. This should be disallowed subject to production of appropriate competitive quotes.	The additional costs relate to works intended to be carried out to remedy damage cause to the substantial numbers of box shrubs around the property following an invasion of box tree moths. This is an individual item of work and is not within the scope of the regular gardening specification.	The tha is r pay

#### Estimated charges – Budget 2024 – 25

ITEM	COST	TENANT'S COMMENTS	LANDLORD'S COMMENTS	
Insurance	£800	The budgeted sum in rhe previous year was £500. Actual costs have not been disclosed and £800 is considered to be excessive and an arbitrary increase.	Costs of insurance have generally increased across the market and the budgeted sum reflects this	Th th re

Electricity	£1200	The budgeted sum in the previous year was £800. Invoices have not been disclosed and £1200 is considered to be excessive and an arbitrary increase.	Energy costs have generally increased across the market and the budgeted sum reflects this.	Th th re
Water	£1000	The budgeted sum in the previous year was £600. Actual costs have not been disclosed and £1000 is considered to be excessive and an arbitrary increase.	Energy costs have generally increased across the market and the budgeted sum reflects this.	Th th re
Drains and gulleys upkeep	£1000	The budgeted sum in the previous year was £650. Actual costs have not been disclosed and £1000 is considered to be excessive and an arbitrary increase. This increase is arbitrary and unsupported.	The person the Respondent historically instructed to deal with these issues is retiring so the increase is budgeted in anticipation of instructing an alternative company to deal with these	Th th re
Gardening	£8000	The budgeted sum in the previous year was £7200. Actual costs have not been disclosed and £8000 is considered to be excessive and an arbitrary increase.	The Respondent has been informed of an upcoming increase in the costs of gardening services (which was unchanged since 2019)	Th th re
Pest control and preventative maintenance.	£3000	The budteted sum in the previous year was £1000. A three-fold increase is not understood, has not been justified and is considered to be unreasonable. The Applicants have an equivalent quote of £149 plus VAT per quarter. The Applicants maintain this is excessive	The budget of £3000 includes a general maintenance budget and not just pest control. The pest control also allows for any specific chargeable events should they occur (not just routine)	Th th re
Expenses, office and IT	£1,770	An administration fee of £5000 appears to be charged. Any expenses of within that figure and should not be charged for separately. A previously budgeted sum for postage and stationary was £200 and this sum is considered to be unreasonably high. Given the exorbitant management charge, the Applicants do not accept	The Respondent is entitled to charge for such sums pursuant to Para 7 of the Fourth Schedule of the Lease as expenses incurred in the running and management of the Estate	Th pa in w R



		that this is required.		
Legal and professional fees	£5000	Accountancy fees are dealt with elsewhere. Legal fees appear to relate to the pursuit by Swanside of the RTM Company to collect its estate charges. That is not a legitimate expense and should be excluded from the budget. These do not appear to be legitimate.	The budget includes legal fees for dealing with this litigation as well as disputes with the RTM Company in relation to handover sums and the collection of Central Estate Funds by the RTM. This is within the scope of the expenses contemplated by the Lease	Th th re
Audit and accountancy fees	£3,600	Given the reduced sums to be audited and the reduced extent of the estate these costs are considered to be unreasonably high, in addition to the alleged legal and professional fees due.	The Lease mandates an audit and the Respondent carries out an annual audit in accordance	Th th re
Administration freeholder	£5000	As stated above the Freeholder employs a Managing Agent Colin Bibra. Their charges have not been disclosed and must be disclosed in order for a reasonable sum to be arrived at and without that justification the sums should be rejected. HMS (the Applicant's Managing Agent for the two Bolks )indicate a fee of £1544.40 plus VAT for the entire estate equivalent to £239 plus VAT per flat which is considered to be within commercial rates. The sum remains excessive and unsupported	The witness statement of Mr Grey sets out the fees charged by Conin Bibra in managing the estate and the fees levied by the directors as remuneration. A sum of £4500 is a reasonable sum to demand in reserve for anticipate future expenses at the property	Th pa in wi Re
Managing agent fees	£5000	As above. The sum is excessive and unjustified (see application)		
Reserve contribution	£4500	The budgeted sum in the previous year was £1500. The increased been explained and is objected to on the basis that it is		Th re ju fo w

		unreasonable. No more than £1500 would be reasonable (see application).		re
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