



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

**Case reference** : **CAM/38UE/LSC/2025/0614**

**Property** : **43-59 Arnold Way (odds), Grove,  
Wantage, Oxfordshire OX12 0GT**

**Applicant** : **Pamela and Robert Field and others**

**Representative** : **Pamela Field**

**Respondents** : **1. Persimmon Homes Limited  
2. Arnold Way No. 2 (Grove)  
Management Company Limited**

**Representative** : **Gowling WLG (UK) LLP**

**Type of application** : **Liability to pay service charges**

**Tribunal members** : **Judge Saward  
Mr G. F. Smith MRICS FAAV**

**Date of hearing** : **21 August 2025**

**Date of decision** : **1 September 2025**

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**DECISION AND REASONS**

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## **Decisions of the Tribunal**

- (1) The Tribunal makes the determinations as set out under the various headings in this Decision (summarised in the Schedules at Appendix 3).
- (2) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 (“the 1985 Act”) so that none of the landlord’s costs of the Tribunal proceedings may be passed to the Applicants through any service charge.
- (3) The Tribunal makes an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”) extinguishing any liability of the Applicants to pay any administration charges in respect of the litigation costs of this application insofar as they might otherwise have been payable under their lease.
- (4) The Tribunal makes an order under Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (“the Tribunal Rules”) requiring the Respondents to pay the Applicants the sum of £330 within 28 days of this Decision, in reimbursement of all their Tribunal fees.

## **The application**

1. The Applicants are the leaseholders of 9 flats within a building located at Arnold Way, Grove, Wantage (“the Property”). The full list of Applicants appears at Appendix 1 to this Decision.
2. The Applicants seek a determination pursuant to section 27A of the 1985 Act as to the amount of service charges payable by them in respect of the service charge years 2023 to 2025. The relevant legal provisions are set out in Appendix 2 to this Decision.
3. The application also seeks orders: (a) to limit any recovery of the Respondents’ costs of the proceedings through the service charge, under section 20C of the 1985 Act; and (b) to reduce/extinguish their liability to pay an administration charge in respect of litigation costs, under paragraph 5A of Schedule 11 to the 2002 Act.

## **The hearing**

4. All the Applicants were represented at the hearing by Pamela Field, a leaseholder of flats 45 and 53. David Wigby of Gowling Solicitors was instructed for both Respondents. He addressed matters concerning the lease and the Applicants’ incidental applications for orders and fees. Georgia Strange from Remus Management (“Remus”), being the

managing agents, also appeared on behalf of the Respondents to answer questions regarding the service charges.

5. It was agreed at the outset that the Tribunal would look at each issue in the Scott Schedules, point by point, so that both the Applicants and Respondents had their 'turn' on each item as a discrete issue, before moving onto the next.
6. The Tribunal confirmed that it could not consider whether the Applicants can take over the Property management in an application for disputed service charges under section 27A of the 1985 Act. Nor could it answer the Applicants' questions posed over administration matters, such as the use of codes, names, addresses and errors flagged with the Respondents. Ms Strange offered to discuss those other concerns with the Applicants after the hearing.
7. Mr Wigy submitted that the standard of accounting used by the Respondents falls outside the jurisdiction of the Tribunal. However, he agreed with the Tribunal that it was relevant to the issue of whether services were reasonably incurred and reasonable. That falls squarely within the jurisdiction of the Tribunal.
8. The Tribunal began by seeking to establish whether the applications fall to be considered under section 19(1) or 19(2) of the 1985 Act. There is an important difference in the subsections. Section 19(1) not only limits the amount payable for a service charge to the extent that it is "reasonably incurred", but also to services or works that are "of a reasonable standard".
9. Where a service charge is payable before the relevant costs are incurred, then section 19(2) applies and "no greater amount than is reasonable is so payable". After the relevant costs have been incurred, any necessary adjustment must be made by way of repayment, reduction, or further charges issued. Once the charges are reconciled, section 19(1) applies in the same way as service charges raised for costs incurred.
10. In this case, it was established that the service charges for 2023 are actual sums. Those for service charge year 2024 remain estimated amounts albeit the finalised accounts were expected before now. There have been delays due to "onboarding" issues (whatever that might mean) arising after a change in managing agents. The service charges for 2025 are clearly estimated as it is still mid-year. Therefore, section 19(1) applies to the figures for service charge year 2023 whereas section 19(2) applies to service charge years 2024 and 2025.
11. Many of the Applicants' arguments for 2024 and most for 2025 had been pursued on the basis of a lack of invoices showing actual expenditure. Invoices would be highly relevant to a determination of whether sums

were “reasonably incurred” under section 19(1), but not to budgeted charges that estimate the amount recoverable expenditure. As unrepresented individuals, the Applicants could not be expected to realise the distinction. After this was explained at the hearing, the Applicants accepted many of the amounts as reasonable budgeted figures with the proviso that evidence materialises upon reconciliation of the accounts.

12. It is the Tribunal’s expectation that there will be co-operation by the Respondents in producing timely information to the leaseholders once the accounts are reconciled to avoid the need of repeat applications on the same service charges. From the hearing, the Respondents have early notice of matters requiring their attention if further Tribunal proceedings are to be prevented.

### **The background**

13. The Property which is the subject of this application is a purpose-built block of 9 one-bedroom flats arranged over three floors and sharing common parts. It was built in 2022. The freehold of the Property is owned by the First Respondent. The Second Respondent is the property management company set up by the First Respondent. Remus has managed the administration of the service charge account for the Property since March 2023.
14. No-one requested an inspection of the Property, and the Tribunal did not consider it necessary or proportionate to the issues in dispute.
15. Each Applicant holds a long lease of their flat 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 will be referred to below, where appropriate

### **The issues**

16. At the start of the hearing the relevant issues for determination were agreed as follows:
  - (i) whether the disputed service charges from 2023 to date are payable;
  - (ii) whether the works are within the landlord’s obligations under the lease/ whether the cost of works are payable by the leaseholders under the lease;
  - (iii) whether the costs of the works are reasonable, in particular in relation to the nature of the works, the contract price and the supervision and management fee;

- (iv) whether an order under section 20C of the 1985 Act and /or paragraph 5A of Schedule 11 to the 2002 Act should be made;
- (v) whether an order for reimbursement of application/hearing fees should be made.

### **The lease**

- 17. An undated and unsigned sample lease for Flat 53 has been provided. It is for a term of 999 years from 1 January 2020.
- 18. The tenant covenants (clause 3) with the landlord and management company to observe and perform the obligations set out in the Fourth and Seventh Schedules. The First Respondent is the landlord, and the Second Respondent is the management company.
- 19. At Paragraph 16 of Schedule 4, the tenant covenants to pay the service charge in advance to the management company in accordance with the Seventh Schedule. The “accounting period” for the purposes of the service charge is defined to commence on 1 January in each year.
- 20. The management company covenants to provide the works and services within Part One of the Sixth Schedule. The “service costs” are identified in Part Two of the Sixth Schedule.
- 21. The management company is responsible under Paragraph 4.1 of the Seventh Schedule to keep proper books and records of the service charge. The management company shall “as soon as practicable” after each “accounting date” (being 31 December in each year) prepare a certificate of the service costs for the accounting period ending on the accounting date. The certificate is to be signed by an accountant or firm of accountants and certified as a fair summary that the service costs are sufficiently supported by accounts, receipts and other documents produced. The Respondents acknowledge that the certificate is due in respect of service charge year 2024 but rely on the “as soon as practicable” provision for the delay.
- 22. Relevant provisions within the lease are identified below against the disputed service charges. References are not repeated where it is unnecessary to do so.

### **Findings**

- 23. Having heard evidence and submissions from the parties and considered all of the documents provided, the Tribunal has made determinations on the various issues as follows.

**Accountancy fees - £409.20 (2023), £410.00 (2024), £440.00 (2025)**

24. The lease provides for accountancy fees as a service charge under Paragraph 5 of Part Two of the Sixth Schedule, which covers the cost of keeping books and records of expenditure, auditing and certifying the service costs.
25. The Applicants argued that the fees for 2023 should be apportioned over 9 months to reflect the period of actual spend. That is the incorrect approach. The question is whether the sum has actually been paid for the service and whether it had been reasonably incurred for it to be payable.
26. Ms Strange said that the actual accountancy fee was £330 but accepted the invoice has not been provided. The only invoice produced from the accountants is dated 30 June 2024 for £79.20 for year-end accounting.
27. It has not been demonstrated that £330 was reasonably incurred. The Tribunal finds that the sum of **£79.20 only is payable for 2023**.
28. The Applicants accepted the budgeted figures of £410 and £440 for 2024 and 2025, respectively.

**Bank charges - £20.93 (2023), £25.00 (2024), £32.00 (2025)**

29. Bank charges are covered under Paragraph 11 of Part Two of the Sixth Schedule of the lease. This provides for the costs of opening and maintaining one or more bank accounts and the cost of borrowing funds in relation to the service charge.
30. The bank charges for 2023 would be the fees paid rather than apportioned over the year. However, Ms Strange acknowledged that no bank statements had been provided. The fees were said to be a group cost to Remus that was then apportioned across the properties it manages.
31. Without any documentation, there is insufficient evidence of charges incurred, the breakdown or how they were apportioned. The **sum payable for 2023 is nil**.
32. The Applicants conceded that the estimated bank charges of **£25 for 2024 and £32 for 2025 are reasonable**.

**Buildings Insurance - £1,498.44 (2023), £1,258.00 (2024), £1,330.00 (2025)**

33. The management company is responsible under Paragraph 2 of Part One of the Sixth Schedule for insuring the block at all times. The cost is recoverable as a service cost by Paragraph 1 of Part Two of the Schedule.

34. The Respondents confirmed that insurance had been double charged and that **£1,498.44 is not payable for 2023.**
35. The Scott Schedule for 2024 gave the cost as £1159.63, but this is the actual amount invoiced on 1 April 2024. The budgeted amount was £1,258.00, which was within 10% of the actual cost. The Tribunal finds a budget of **£1,258.00 to be reasonable for insurance in 2024.**
36. The Applicants conceded that **£1,330.00 is a reasonable estimate for buildings insurance for 2025.**

**Cleaning - £528.00 (2023), £1,092.00 (2024), £960.00 (2025)**

37. Cleaning forms part of the repair and maintenance of the block, external areas, and common parts that the management company covenants to undertake in Paragraph 1 of Part One of the Sixth Schedule. It can be recharged under the lease at Paragraph 1 of Part Two of the Sixth Schedule.
38. The Respondents conceded that £528 is not payable for 2023. The invoice was wrong, and the works were not done to a reasonable standard.
39. The Applicants have grievances over the cleaning schedule (with two cleaning contractors) and frequency of the cleaning. Plainly, this is a matter for the Respondents to examine upon reconciliation of the accounts. As an estimate, **the sum of £1,092.00 for 2024 is reasonable and allowed.**
40. The Applicants had agreed £42 (inc VAT) for fortnightly visits in 2025 amounting to £960 per annum. The Applicants accepted that this sum is reasonable provided there is compliance with the cleaning contract. As a budget, the Tribunal finds **£960 is reasonable for cleaning for 2025.**

**Directors and Officers insurance - £210.00 (2023), £220.00 (2024), £221.00 (2025)**

41. The reasonable fees of the management company relating to the carrying out of its obligations under the lease are listed as a service cost at Paragraph 13 of Part Two of the Sixth Schedule.
42. The First Respondent agreed “as a gesture of goodwill” to waive the service charge for directors’ and officers’ insurance for 2021 that was charged in the 2023 service charge year. That being so, the Tribunal **disallows the sum of £210 for 2023.**

43. The Applicants **conceded that £220 (2024) and £221 (2025) are reasonable.**

**Directors and Officers Insurance for 12/02/23 to 11/02/24 - £210.00 (2023)**

44. The Applicants claim a “refund” of £52.50 as the insurance premium covers a period extending into the next service charge year by around 6 weeks. At the hearing, Ms Strange agreed the principle and that an amount was due back, but she had not done the calculation.
45. Given that the credit sought of £52.50 was not disputed, the Tribunal finds that the balance of **£157.50 is the sum payable.**

**Electricity - £311.04 (2023), £400.00 (2024), £300.00 (2025)**

46. The Respondents rely upon Paragraph 6 of Part Two of Sixth Schedule to recover electricity charges as an outgoing charged or payable in respect of the block and external areas. Lighting is included within the management company’s duties to maintain the block, external areas and common parts within Paragraph 1, Part One of the Sixth Schedule.
47. The Applicants submitted that the 2023 rates were “not good value”. In saying this, they did not appear to have realised that a commercial tariff will have been charged with VAT added at 20% rather than 5%. The Respondents said they had used a broker who takes into account market rates. An accrual had been made in anticipation of the invoice. However, the only invoice supplied was for the sum of £204.78 for a balance as of 26 September 2023. In the absence of any other documentation, the Tribunal finds that the sum of **£204.78 is the only amount shown to be reasonably incurred for 2023.**
48. Whilst the Applicants hope that the sum will be reduced to £330, they accepted that it was **reasonable to budget for £400 for 2024.** It was further conceded that **£300 is reasonable for 2025.**

**Fire systems maintenance - £522.00 (2023), £1,190.00 (2024), £522.00 (2025)**

49. Reliance is placed by the Respondents on the generic provision within Paragraph 2 of Part Two of the Sixth Schedule of the lease to provide such other services to the occupiers as the management company or its duly authorised agent may from time to time consider appropriate.
50. Ms Strange explained that the invoices refer to ‘Wellington Gate (Grove) Management Company’ and not the Second Respondent’s name due to an

‘onboarding error’. It is the name that Remus uses to refer to the client. She confirmed that the invoices relate to the Property.

51. The first invoice produced is for £174.00. The second invoice of £348 was payable by 17 December 2023 but it was the automatic renewal for 2024. Ms Strange accepted there was an accounting error and the second invoice should have been in the 2024 service charge. Therefore, the Tribunal finds that only **£174.00 was reasonably incurred for 2023.**
52. It follows that £348 was to be included in the estimated budget for 2024. This would not necessarily encompass all charges for fire systems. Ms Strange personally thought that the budget of £1,190 probably should be streamlined but did not wish to comment further. Bearing in mind that the estimate for 2025 was **£522, which the Applicants accepted as reasonable, the Tribunal concludes that £500 was reasonable for 2024.**

**Gardening - £1152.00 (2023), £1,500.00 (2024), £900.00 (2025)**

53. The lease provides for gardening at Paragraph 3 of Part One of the Sixth Schedule with the charges recoverable by Paragraph 1, Part Two of the Sixth Schedule.
54. The Respondents conceded the 2023 charge to the full extent claimed. Accordingly, **the sum of £1152.00 is disallowed.**
55. During 2024 the Applicants complain of 8 months non-delivery of gardening services. They supplied photographs to illustrate their point. These are arguments to be put, if not addressed, in the reconciled service charge account.
56. Ms Strange said that the standard specification would be 20 visits per year at £75 per visit, hence £1,500 being budgeted. Whilst the Respondents comments in the Scott Schedule referred to a ‘goodwill gesture’, Ms Strange insisted that the Respondents maintained their position that £1,500 was reasonable.
57. The Tribunal notes that the notice served upon leaseholders pursuant to section 20(b) of the 1985 Act for the year ending 31 December 2024, anticipated that the service charge expenditure for gardening was £2,040. There was no explanation for the large increase from the estimated amount. In the Scott Schedule, the Respondent’s comments say: “an accrual was made for July-December as invoices cannot be located.” This indicates a reduction is to be made in the finalised account.
58. On the face of it, the Tribunal finds £1,500 to be a reasonable sum for budgeting purposes. On that basis **£1,500 is allowed for 2024.** Of

course, the Respondents will need to ensure that the reconciled figure can be justified having regard to the evidence gathered by the leaseholders. That is not a decision for the Tribunal at this time.

59. As the Applicants had suggested the figure of £900 as a budgeted amount for 2025, they accept it is reasonable. Their comments had concerned the lack of a contract and whether the agreed service was being supplied. As an estimate the sum of **£900 is reasonable and allowed for 2025.**

**General repairs and sundries - £862.80 (2023), £200.00 (2024), £200.00 (2025)**

60. The lease permits the recovery of such charges within the repair and maintenance provision at Paragraph 1 of Part One of the Sixth Schedule and payment provision at Paragraph 1 of Part Two.
61. The Applicants claimed that neither the key safe installation (£186) nor the fire box installation (£72) had taken place. The door inspection fee (£16.80) should have been covered under the 2 year “snagging” agreement that was in place. The disputed sum of £274.80 for which the Applicants sought a “refund” for 2023 was conceded by Ms Strange on the basis that no invoices exist for the three pieces of work concerned.
62. The balance of £588 represents the reinstatement cost assessment, which is required every 3 years. Whilst the Applicants are aggrieved that “this should have been planned and budgeted for as a known cost by Remus”, it is not disputed that the assessment was necessary and reasonably incurred. The Tribunal finds that **£588.00 is payable for 2023.**
63. The Applicants **accepted the estimates of £200 for both 2024 and 2025.**

**Health and safety management - £100 (2024)**

64. The sum of £100 for 2024 (only) **is disallowed by consent.**

**Management company expenses - £1567.00 (2023), £648.00 (2024), £754.00 (2025)**

65. “Reasonable” management company fees are recoverable under the lease at Paragraph 13 of Part Two of the Sixth Schedule for management relating to the carrying out of its obligations under this lease.
66. Ms Strange said that some of the charges were down to the First Respondent. Whilst the Scott Schedule for 2023 refers to the First Respondent making a “goodwill gesture”, Mr Wigy had no instructions from his client to make any concession. He could not assist further.

67. Ms Strange said there would be a set fee per unit. The figure would have included postage costs that were not historically included in the management fee.
68. Three invoices from Remus (at pages 71 to 73 of the bundle) are for charges incurred in 2022, i.e. £402, £330, £12. They are outside the service charge period for 2023. These sums, totalling £744, are disallowed accordingly.
69. The management fees that are recoverable under the lease concern the duties under the lease. Reference is made in the Scott Schedule to £600.00 to create a management company. If that forms part of the expenses claimed, the Tribunal considers it to be a developer's cost that is not recoverable under the lease. It would be disallowed for that reason.
70. The only invoices produced by Remus that the Tribunal can be satisfied are payable under the lease, and reasonably incurred are those for £402 (annual company secretarial charge 1 January 2023 – 31 December 2023) and £13 annual return filing fee in 2023. The Tribunal **allows £415.00 only for 2023.**
71. The Applicants **accepted the estimate of £648 for 2024 and £754 for 2025. The Tribunal agrees they are reasonable.** It is noted that the estimated fees include Company Secretary fees, statutory accounts for the management company, filing accounts at Companies House and fees to the Information Commissioner's Office for GDPR purposes.

**Management company fees - £2,482.00 (2024), £1,861.00 (2025)**

72. These fees concern service charge years 2024 and 2025 only. They are estimated amounts. Mrs Field said that these estimates are definitely disputed in light of everything that had gone on. There had been no property manager for large periods of time and no visits to see the state of the gardens. Ms Strange disputed that there had been a lapse in management on the timeframe suggested. The previous property manager had left on 6 September 2024 after a handover to the current manager. The incorrect site visit report had been provided, but Remus considers the sum sought for 2024 is still reasonable.
73. It was made very clear at the hearing that the fee of £1,861.00 for 2025 had been reduced by 25% for poor management in 2023. No account has yet been taken for poor management during 2024, for which Remus apologised at the Steering Group Meeting on 24 July 2024. The minutes record the acknowledgement by Remus that there had been little or no communication or service delivery during a period of 5 months that year. The Tribunal views the agreement for a 25% reduction in management fees as a contractual obligation. Whatever the management fee is for 2025 when the accounts are finalised (which must be reasonable) then it is to

be reduced by 25% as recorded in the minutes of the Remus Management – Steering Group Meeting on 24 July 2024. We record this now as evidence from the hearing to avoid future dispute.

74. On the face of it, the sums were not unreasonable at the time the budgets were set. It may have transpired that the service provided by Remus was wanting or not provided in part. If so, it should be dealt with when the budget is reconciled. If deficiencies are not reflected in the actual amounts charged, then the Respondents must anticipate that they will be challenged by the Applicants. To avoid a repeat return to the Tribunal, it is expected that the Respondents will check the amounts carefully and make any necessary adjustments.
75. As budgeted figures, **the management company fees for both years are allowed in full.**

**Window cleaning - £372.00 (2023), £480.00 (2024)**

76. For window cleaning, the Respondents rely upon the generic provision to clean the block within Paragraph 1, Part One, Sixth Schedule as payable under Paragraph 1 of Part Two.
77. The Respondents conceded that the invoice for 2023 was for another block and **the sum of £372 is not payable.**
78. The Applicants submitted that window cleaning should not have been in the budget for 2024. Mr Hayes, the former Regional Director of Remus who had managed the Property emailed the residents on 8 December 2023 to say that 12 months window cleaning (at £480) was to be provided free of charge, as evidenced by the screenshot provided. That being so, it was **not reasonable to include £480 for window cleaning within the budget for 2024. The sum is disallowed.**

**Out of hours service - £198.00 (2024), £207.00 (2025)**

79. Ms Strange confirmed that this item is for an emergency out-of-hours service provided by a third-party company. It is currently charged at £23 per unit being a £1.00 increase from £22 per unit for 2024. It is not a service covered by the block building insurance. With this explanation, the **Applicants accepted both amounts as reasonable estimates.**

**Internal reserve account - £193.84 (2023), £500.00 (2024), £500.00 (2025)**

80. Paragraph 2 of the Seventh Schedule provides for the management company, as far as it considers practicable, to equalise the amount of the service charge from year to year by creating reserve funds.

81. Two bank statements are produced in respect of this service charge for 2023. Both are for the period 31 December 2022 to 31 March 2023. It was confirmed by Ms Strange that the client reference number ending “R” is for the reserve fund and “S” means the service charge. The statement for the reserve fund shows a balance of £0.00. The other statement of £2.04 is the client account for the service charge. It was not until April 2024 that the client account summary report shows that £387.68 was deposited. As it has not been shown that any sums were deposited to the reserve account **for 2023, nil is payable.**
82. The Applicants agreed that it was reasonable to build up a reserve account. **£500 is allowed for 2024 and 2025.**

**External reserve account - £193.84 (2023), £500.00 (2024), £500.00 (2025)**

83. No evidence has been produced by the Respondents of a reserve account for 2023. As above, it was not until April 2024 that £387.68 was deposited (i.e. £193.84 x2). The sum of **£193.84 for 2023 has not been shown to have been reasonably incurred** to be payable.
84. As above, the Applicants accepted that **£500 is reasonable for 2024 and 2025.**

**Managing agent time costs - £45.00 (2025)**

85. This service charge was not previously budgeted. The Respondents’ comments in the Scott Schedule identify this item as including out-of-hours attendance. However, there is a separate service charge item for such costs. Ms Strange referred to there being “confusion” in the Scott Schedule entry and stated that the item covers postage costs for matters falling outside the scope of the management fee, such as neighbour disputes. If it is for postage costs, then the Tribunal would expect those costs to be included within the management fee.
86. In the absence of a satisfactory explanation, the Tribunal finds that **the item is not reasonable, and it shall be disallowed.**

**Application under section 20C, paragraph 5A and refund of fees**

87. The Applicants applied for orders under section 20C of the 1985 Act and paragraph 5A of Schedule 11 to the 2002 Act. At the hearing, the Respondents reversed their earlier position to no longer oppose either application. Taking into account the findings above, the Tribunal determines that it is just and equitable in the circumstances for the orders to be made. In consequence, no costs incurred in connection with the

proceedings before the Tribunal can be passed onto the Applicants through the service charge or by way of an administration charge.

88. The Respondents resisted the Applicants application for recovery of their Tribunal fees totalling £330 (£110 application fee and £220 hearing fee). Mr Wigy argued that the landlord had made various “gestures of goodwill” worth several thousand pounds. Plus, the Applicants had pursued points in which the Tribunal has no jurisdiction. In response, Mrs Field spoke of the lengths that the Applicants had gone over many months in attempts to resolve the issues. These included exhausting the formal complaints procedure and writing to the directors of Persimmon to no avail.
89. The Applicants are not legally represented to appreciate the extent of the Tribunal’s jurisdiction. In any event, the limited points falling outside the scope of the section 27A application were a very small part of the application. The Tribunal fees would have been incurred regardless of those points. These are not County Court proceedings or a costs claim.
90. Remus conceded many points during the hearing itself and the Tribunal has found against the Respondents on others. The Applicants were not successful on all points and very few for service charge years 2024 and 2025 where the figures remain estimated. Nevertheless, there was a single fee for the application comprising all three service charge years and a single hearing fee. The Respondents rely on offers of settlement made after the Tribunal fees were paid. From what we have seen and heard; it has taken the instigation of Tribunal proceedings for the Respondents to engage with the Applicants. In all the circumstances, the Tribunal finds it fair and just to award the Applicants the recovery of their Tribunal fees.
91. The Applicants queried the recovery of their photocopying costs. No statement of costs was before the Tribunal. Whilst an application for costs can be made, the provision for costs in the Tribunal exist only in very limited circumstances under Rule 13(1)(b) of the Tribunal rules. Unreasonable conduct in the proceedings is a precondition to the power and the bar is a high one. In this regard the Applicants’ attention is drawn to the decision in *Willow Court Management Co. Ltd v Alexander* [2016] UKUT 0290 (LC) in which the Upper Tribunal considered the power within Rule 13(1)(b).

**Name:** Judge Saward

**Date:** 1 September 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 – list of applicants**

<b>Leaseholder/s</b>	<b>Flat No.</b>
Pamela and Robert Field	Flats 45 and 53
Gemma and Scott Lucking	Flats 49 and 51
Toby Brown	Flat 57
Natasha Cotton	Flat 43
Laura Rolls	Flat 47
Aaron Aquilina	Flat 55
Yan Gleyo	Flat 59

## **Appendix 2 - relevant legislation**

### **Landlord and Tenant Act 1985 (as amended)**

#### **Section 18**

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
  - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
  - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
  - (a) "costs" includes overheads, and
  - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

#### **Section 19**

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period -
  - (a) only to the extent that they are reasonably incurred, and
  - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard;and the amount payable shall be limited accordingly.

- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

### **Section 27A**

- (1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to -
- (a) the person by whom it is payable,
  - (b) the person to whom it is payable,
  - (c) the amount which is payable,
  - (d) the date at or by which it is payable, and
  - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to -
- (a) the person by whom it would be payable,
  - (b) the person to whom it would be payable,
  - (c) the amount which would be payable,
  - (d) the date at or by which it would be payable, and
  - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
- (a) has been agreed or admitted by the tenant,
  - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
  - (c) has been the subject of determination by a court, or
  - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

### **Section 20B**

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.

- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

### **Section 20C**

- (1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made—
- (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
  - (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
  - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
  - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
  - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

### **Commonhold and Leasehold Reform Act 2002**

#### **Schedule 11, paragraph 1**

- (1) In this Part of this Schedule “administration charge” means an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly—
- (a) for or in connection with the grant of approvals under his lease, or applications for such approvals,
  - (b) for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,

- (c) in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to his lease otherwise than as landlord or tenant, or
- (d) in connection with a breach (or alleged breach) of a covenant or condition in his lease.

**Schedule 11, paragraph 5A**

- (1) A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.
- (2) The relevant court or tribunal may make whatever order on the application it considers to be just and equitable.
- (3) In this paragraph—
  - (a) “litigation costs” means costs incurred, or to be incurred, by the landlord in connection with proceedings of a kind mentioned in the table, and
  - (b) “the relevant court or tribunal” means the court or tribunal mentioned in the table in relation to those proceedings.[The table includes the First-tier Tribunal]

### **Appendix 3**

## **SCHEDULE OF DISPUTED SERVICE CHARGES**

Case Reference: CAM/ 38UE /LSC /2025/0614 Premises: 43-59 Arnold Way (odds)

### **Service charge year 2023**

<b>ITEM</b>	<b>COST</b>	<b>TRIBUNAL COMMENTS</b>	<b>TRIBUNAL FINDING</b>
Accountancy fee	£409.20	Found in part	Allow £79.20
Bank charges	£20.93	R's evidence is inadequate	Disallow = nil
Buildings insurance	£1498.44	Conceded	Disallow = nil
Cleaning	£528.00	Conceded	Disallow = nil
Directors & Officers insurance for 2021	£210.00	Conceded	Disallow = nil
Directors & Officers insurance 12.02.23 to 11.02.24	£210.00	Found in part	Allow £157.50
Electricity	£311.04	Found in part	Allow £204.78
Fire systems maintenance	£522.00	Found in part	Allow £174.00
Gardening	£1152.00	Conceded	Disallow = nil
General repairs & sundries	£862.80	Conceded in part	Allow £588.00
Management company expenses	£1567.00	Found in part	Allow £415.00
Window cleaning	£372.00	Conceded	Disallow = nil
Internal reserve account	£193.84	R's evidence is inadequate	Disallow = nil
External reserve account	£193.84	R's evidence is inadequate	Disallow = nil

### **Service charge year 2024**

<b>ITEM</b>	<b>COST</b>	<b>TRIBUNAL COMMENTS</b>	<b>TRIBUNAL FINDING</b>
Accountancy fee	£410.00	No issue	Allow
Bank charges	£25.00	No issue	Allow
Buildings insurance	£1,258.00	No issue	Allow
Cleaning	£1,092.00	No issue	Allow
Directors & Officers insurance for 2024	£220.00	No issue	Allow
Electricity	£400.00	Found	Allow
Fire systems maintenance	£1,190.00	Found in part	Allow £500.00
Gardening	£1,500.00	Found	Allow
General repairs & sundries	£200.00	No issue	Allow
Health & safety management	£100.00	Conceded	Disallow = nil
Management company expenses	£648.00	No issue	Allow
Management company fees	£2,482.00	Found	Allow
Window cleaning	£480.00	Not found	Disallow = nil
Out of hours service	£198.00	No issue	Allow
Internal reserve account	£500.00	No issue	Allow
External reserve account	£500.00	No issue	Allow

### **Service charge year 2025**

<b>ITEM</b>	<b>COST</b>	<b>TRIBUNAL COMMENTS</b>	<b>TRIBUNAL FINDING</b>
Accountancy fee	£440.00	No issue	Allow
Bank charges	£32.00	No issue	Allow
Buildings insurance	£1,330.00	No issue	Allow
Cleaning	£960.00	No issue	Allow
Directors & Officers insurance for 2025	£221.00	No issue	Allow
Electricity	£300.00	No issue	Allow
Fire systems maintenance	£522.00	No issue	Allow
Gardening	£900.00	No issue	Allow
General repairs & sundries	£200.00	No issue	Allow
Management company expenses	£754.00	No issue	Allow
Management company fees	£1,861.00	Found	Allow
Out of hours service	£207.00	No issue	Allow
Managing agent time costs	£45.00	No satisfactory explanation	Disallow – not reasonable Nil
Internal reserve account	£500.00	No issue	Allow
External reserve account	£500.00	No issue	Allow