



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

Tribunal Case reference : **LON/00BG/LSC/2025/0809**

Property : **37 Telegraph Place, Mill Quay, London, E14 9XA**

Applicant : **Mill Quay London E14 (Blocks A, B, F & G) Management Company Limited**

Respondent : **Millwall Town Investment Limited**

Type of application : **Transfer from County Court – Service and Administration Charges**

Tribunal : **Tribunal Judge I Mohabir
Mr K Ridgeway MRICS**

Date of decision : **11 December 2025**

DECISION

Background

1. The Defendant/Respondent is the lessee of 37 Telegraph Place, Mill Quay, London, E14 9XA (“the property”) pursuant to a lease dated 11 December 1997 made between (1) Fairview New Homes PLC and (2) Mill Quay London E14 (Blocks A, B, F & G) Management Company Limited and (3) Charlotte Emma Carter (“the lease”). Under the lease, the Claimant/Applicant is the management company obliged to repair and maintain the development.
2. The Claimant/Applicant issued proceedings in the County Court on 9 September 2024 making a claim as follows:

Service Charges and Reserve Fund for the period ended 30.09.24	£936.37
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Total administration charges	£1176.13
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Legal costs (administration charges)	£1080.00
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3. A Defence was filed by the Defendant/Respondent on 29 September 2024 and simply makes a general assertion that the service charges in question are unreasonable and that the administration charges are not payable as a result.
4. On 19 February 2025, DDJ Willink made an order transferring the case to this Tribunal.
5. The Tribunal will only determine the issues of the reasonableness and payability of the service charges and administration charges. Once the Tribunal has made its decision, the case will be sent back to the County Court for it to deal with any other remaining matters.

Relevant Law

6. This is set out in the Appendix annexed hereto.

Hearing

7. The hearing in this case took place on 17 October 2025. The Applicant was represented by Mr Kirk of Counsel. The Respondent appeared in person.
8. The documentary evidence before the Tribunal was contained in the hearing bundle comprised of 131 pages.
9. At the hearing, the Respondent agreed that the estimated service charges and reserve fund contribution claimed by the Applicant are due and payable by him. However, he reserved his position to challenge the actual amounts incurred when they became known to him.

10. It follows, that the only amounts in respect of which a determination was required by the Tribunal are the total administration charges incurred by the managing agent to instruct a debt collection company, Property Debt collection Limited (“PDC”) to recover the amounts claimed by the Applicant.
11. The apportionment of the total amount of administration charges claimed in respect of instructing PDC in the sum of £1,176.13 is set out at page 50 in the hearing bundle and need not be repeated here. The Applicant conceded that the Land Registry fee of £24 incurred on 2 August 2022 nor the Transfer Deed fee dated 22 July 2024 in the sum of £30 was not being pursued. Therefore, the remaining total administration charges claimed is £1,122.13.
12. In addition, the Applicant claims by way additional administration charges the sum of £1,080 for contractual legal costs in having to instruct a firm of solicitors to commence the debt recover proceedings in the County Court.
13. It was agreed that the issue fee in the sum of £205 and the solicitor’s fixed costs for issuing the claim in the sum of £80 are County Court costs and not administration charges. Therefore, the Tribunal has no jurisdiction to make any determination in respect of these costs, and they are remitted back to the County Court after the Tribunal’s decision has been issued to the parties if they are pursued by the Applicant.

Decision
Contractual Liability

14. The Respondent submitted that, primarily, the administration charges including the contractual legal costs are not recoverable under the terms of his lease.
15. The Tribunal did not accept that submission as being correct. Under clause 3(5) of the lease, the lessee expressly covenanted to:

“(a) Contribute and pay on demand the proportionate part set out...of all costs charges and expenses from time to time incurred...by the Company in performing and carrying out the obligations and each of them under Part IV of the Schedule hereto...”.
16. Under clause 7 in the lease, the Respondent covenanted with the lessee to perform and observe each of the obligations set out in Part IV of the Schedule to the lease.
17. In paragraph 8 in Part IV to the lease, the Applicant expressly covenanted to:

“(b) ...take all and any action and remedy available in its own name...against any lessee who defaults in making payment as provided for in clause 3(5)...and the company will be entitled to collect all costs,

*charges and expenses (including Solicitors costs...and court costs or otherwise and also its own **administration expenses**) properly incurred in relation or incidental to any such action...”*

18. The Tribunal was, therefore, satisfied that the Applicant is contractually entitled under the lease to recover the administration charges claimed.

Reasonableness

19. In the alternative, the Respondent submitted that the administration charges were generally unreasonable because the cost of the work in respect of which the managing agent was claiming should be regarded as part of their overall management duties. For example, the Respondent submitted that the sum of £258 incurred by managing agent for processing the arrears and £432 incurred for instructing PDC were excessive and unreasonable. There was no evidence that the overall costs had been incurred by the Applicant.
20. Furthermore, no invoice for the costs incurred by the Applicant's solicitors had been disclosed.
21. In reply, the Respondent submitted that the administration costs incurred by the managing agent was in relation to additional work and outgoings, which resulted in the claim having to be made.
22. On 30 April 2024 and 15 May 2024, the Respondent was reminded of the outstanding arrears payable. Nevertheless, payment was not forthcoming. The Applicant accepted that no invoices for the administration charges had been disclosed but maintained that the costs had been incurred and were payable by the Respondent.
23. Whilst the Applicant had not disclosed the invoices in respect of which the administration charges had been incurred, the Tribunal, on balance, found that the costs had been incurred. On the basis of the disclosure contained in the hearing bundle, it was clear that the Respondent had been pursued by the Applicant for payment of the outstanding service charge and reserve fund contributions. Indeed, this was conceded by the Respondent at the hearing.
24. Had the Respondent made that concession earlier, it would have prevented the administration charges being incurred. It follows that the Tribunal was satisfied that, in principle, the administration charges had been properly incurred.
25. However, in addition to the amounts conceded by the Applicant at paragraph 11 above, the Tribunal found that the sum of £240 incurred on 3 August 2022 for instructing PPDC was not reasonable because it appears to be a duplication of the costs incurred on 21 May 2024 and preceded the costs in issue.

26. In addition, the Tribunal found that the sum of £432 incurred on 21 May 2024 to instruct PDC was not reasonably incurred because on the following day the Applicant instructed its solicitors to pursue the outstanding balance owed by the Respondent.
27. Save for the amounts disallowed above, the Tribunal found that the remaining administration charges including the contractual legal costs were reasonable. The Respondent had provided no evidence to demonstrate that the amount of the remaining costs was unreasonable. The total sum payable by the Respondent is £1,530.13 within 28 days from this decision being issued to the parties.

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 of relevant legislation

Schedule 11 to the Commonhold and Leasehold Reform Act 2002

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.

(2) But an amount payable by the tenant of a dwelling the rent of which is registered under Part 4 of the Rent Act 1977 (c. 42) is not an administration charge, unless the amount registered is entered as a variable amount in pursuance of section 71(4) of that Act.

(3) In this Part of this Schedule “variable administration charge” means an administration charge payable by a tenant which is neither—

(a) specified in his lease, nor

(b) calculated in accordance with a formula specified in his lease.

(4) An order amending sub-paragraph (1) may be made by the appropriate national authority.

Liability to pay administration charges

5(1) An application may be made to the appropriate tribunal for a determination whether an administration 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) Sub-paragraph (1) applies whether or not any payment has been made.

(3) The jurisdiction conferred on the appropriate tribunal in respect of any matter by virtue of sub-paragraph (1) is in addition to any jurisdiction of a court in respect of the matter.

(4) No application under sub-paragraph (1) 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.
- (6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—
 - (a) in a particular manner, or
 - (b) on particular evidence,of any question which may be the subject matter of an application under sub-paragraph (1).

Limitation of administration charges: costs of proceedings

- 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.