FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	HAV/00ML/LSC/2025/0712 HAV/00ML/LDC/2025/0777
Properties	**:**	28 Mayfield Court, Lustrells Vale, Saltdean BN2 8FY
Applicant	**:**	Mark Bowles (tenant)
Representative	**:**	In person
Respondent	**:**	GJS Estates Ltd (landlord)
Representative	**:**	Claire Whiteman of Dean Wilson LLP, solicitors
Type of Application	**:**	Liability to pay service charges and dispensation from consultation under s.27A and s.20ZA Landlord and Tenant Act 1985
Tribunal Members	**:**	Judge MA Loveday Mr A Hetherton MRICS Ms P Gravell MCIEH
Date and venue of hearing	**:**	10 February 2026 Brighton Tribunal Hearing Centre
Date of Decision	**:**	12 February 2026

DETERMINATION

Introduction

1. This is an application to determine liability to pay service charges under s.27A Landlord and Tenant Act 1985 ("LTA 1985"). It has been consolidated with a cross-application to dispense with consultation requirements under s.20ZA LTA 1985.

2. The matter relates to a leasehold flat at 28 Mayfield Court, Lustrells Vale, Saltdean BN2 8FY. In the s.27A application, the Applicant is the lessee of the flat and the Respondent is landlord. In the s.20ZA matter, the parties are obviously the other way round. In this decision the Tribunal refers to the tenant as "Applicant" and the landlord as "Respondent".

3. A hearing took place at Brighton Tribunal Centre on 10 February 2026. The Applicant appeared in person. The Respondent was represented by Ms Claire Whiteman of Dean Wilson LLP. The Tribunal is grateful to both for their helpful submissions.

Background

4. The principal facts are not disputed.

5. Mayfield Court comprises a three-storey purpose-built block s.1965 containing 30 flats. The block has gardens and paths to front and side and an open parking to the rear. The block has a single street door and ground floor lobby giving access to stairs, landings and corridors on each floor. 28 Mayfield Court is a second floor flat.

6. By a Lease dated 18 February 1969, the flat was demised for a term of 999 years from 25 March 1968 ("the Lease"). By clause 3 of the Lease, the lessor covenanted:

> "(b) To keep clean and reasonably lighted the passages landings and staircases and other parts of the Building enjoyed or used by the Lessee in common with others.
>
> (c) To keep clean and tidy and generally to maintain and repair the gardens courtyard pathways end dustbin area used in connection with the Building."

Clause 2(ii) of the Lease required the lessee to pay a service charge calculated on the basis of the Flat's (then) rateable value. At all material times the Respondent

has applied a 3.1921% apportionment to arrive at the service charges for the Flat. It has also adopted a service charge year ending on 28 September in each year.

7. The application is limited to the relevant costs incurred by the Respondent in relation to "Public Ways cleaning" during the 2018-19, 2019-20, 2020-21, 2021-22, 2022-3 and 2023-24 service charge years. The "Public Ways cleaning" means the cost of cleaning the internal common parts of the block, communal windows and external areas including the roadway, car park etc. The Applicant's apportioned service charge contributions for cleaning in each year were not initially agreed, but the parties were able to agree them on the morning of the hearing. They are:

S/C Year	**A's S/C contribution to cleaning costs (3.1921%)**
2018/19	£121.81
2019/20	£121.81
2020/21	£121.81
2021/22	£128.25
2022/23	£128.25
2023/24	£149.39

8. At all material times since 2013, the Respondent has retained a company called UniClean Property Maintenance Ltd to provide cleaning services. The bundle includes three documents relevant to Uniclean's retainer:

   (a) An "Acceptance" on UniClean letterhead dated 18 June 2013 which refers to the contractor's Standard Terms and Conditions.

   (b) UniClean's Standard Terms and Conditions in force at the time. Clause 5 reads:

   > "5. This contract is to run continuously for a minimum period of 3 months and continue thereafter unless terminated by either party giving not less than three calendar month's notice in writing. If the Client terminates the contract without proper notice the Client shall pay to the

Company within 7 days of such termination all sums due under this contract and in addition payment of the minimum notice period of one month as compensation."

(c) A document headed: "**GENERAL CLEANING**" and "**MAYFIELD COURT, LUSTRELLS VALE, SALTDEAN**". The document mainly sets out a menu of cleaning services to be provided by an unnamed "Contractor", although there is a reference to the Respondent's managing agent, Graves Son & Pilcher. There are five paragraphs under the heading "General", the last of which is the most relevant to the issues in the application. It reads:

"Accounts to be submitted calendar monthly in arrears and to include costs of light bulbs and batteries (at cost). Charges may be reviewed annually. It is intended that the Contract run indefinitely but it may be determined by either party at one month's notice."

9. There is no direct evidence of the date of the "GENERAL CLEANING" document. According to the Applicant, it was supplied by the Respondent's managing agent to the Applicant on 6 July 2008, and he noted that date in manuscript on the top right-hand corner. It was supported by a statement provided by an email dated 11 March 2025 as 'The schedule does constitute the basis of which the cleaning contractor is working to". The Tribunal asked the parties about this at the hearing. The Applicant urged the Tribunal to accept the "General Cleaning" document came before the other two documents in paras 8(a) and (b) above. In cross-examination, the Applicant put this suggestion to Mr Chris Worrall of Graves Son & Pilcher, and Mr Worrall said he believed third document predated the other two. The Applicant suggested in submissions that the document was consistent with the "Specification" referred to in the "Acceptance" document and in paragraphs 2, 6, 7, 9 and 16 of UniClean's Standard Terms and Conditions. Ms Whiteman suggested in oral submissions that it was obvious from the document itself that it pre-dated the June 2023 "Acceptance" letter. Given the parties were agreed to this extent about the timing of the three documents, the Tribunal considers it is not appropriate to go behind their agreement.

The s.27A LTA 1985 claim

10. The original application is dated 15 February 2025. For each year, the question the Applicant wished the Tribunal to resolve was whether "the respondent is entitled to charge more than £100 to any leaseholder for public ways cleaning when the contractor was engaged on an indefinite contract without statutory consultation of the leaseholders having been conducted". It is common ground this was intended to allege the cleaning contract was a qualifying long-term agreement ("QLTA"), within the meaning of s.20ZA LTA 1985.

11. Directions were given on 23 September, 24 October and 27 November 2025. In accordance with those directions, the Applicant served a position statement dated 10 October 2025. The Respondent served a position statement on 20 October 2025 which contended the cleaning contract was not a QLTA. Alternatively, it indicated the Respondent would apply for dispensation from the consultation requirements under s.20ZA LTA 1985. On 24 November 2025, the Applicant served a statement of case. This again addressed the issue of whether the cleaning contract was a QLTA. But in response to the Respondent's indication that it wished to apply for dispensation, the Applicant served two alternative quotations for the cost of cleaning services in 2023 and 2024. On 15 December 2025, the Respondent served its statement of case, and on the same date issued its application for dispensation. The two applications were consolidated by directions given on 6 January 2025.

12. The Tribunal is satisfied the sole issue in the substantive application is whether the Applicant's relevant contributions to cleaning costs were limited to £100 in each year by s.20 LTA 1985. No formal challenge has been made to the cleaning costs under s.19(1)(a) or 19(1)(b) LTA 1985, although the Applicant stressed he was not satisfied with the standard of cleaning services. But in any event, the Tribunal must consider whether the cleaning contract with UniClean is a QLTA. If it is a QLTA, the Respondent accepts it has not consulted lessees in accordance with Sch.1 to the Service Charges (Consultation Requirement) (England) Regulations 2003. It has therefore made the protective application to dispense under s.20ZA LTA 1985.

The statutory framework

13. Section 20 LTA 1985 provides that:

> "(1) Where this section applies to any … qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either—
> (a) complied with in relation to the works or agreement, or
> (b) dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal."

14. Section 20ZA LTA 1985 deals with both the definition of a QLTA and dispensation:

> "(1) Where an application is made to the appropriate tribunal for a determination to dispense with all or any of the consultation requirements in relation to any qualifying works or qualifying long term agreement, the tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements.
>
> (2) In section 20 and this section—
>
> …
>
> "qualifying long term agreement" means (subject to subsection (3)) an agreement entered into, by or on behalf of the landlord or a superior landlord, for a term of more than twelve months."

15. The "relevant contribution" for QLTAs is prescribed by reg.4 of the 2003 regulations. In any 12-month accounting period, this is set at £100. As already mentioned, Sch.1 to the 2003 regulations also sets out the consultation requirements relevant to most QLTAs. But since it is accepted the requirements of Sch.1 have not been met, it is unnecessary to set them out in full.

QLTAs: authorities

16. The Tribunal was referred to three relevant cases about the question whether a written agreement amounts to a QLTA.

17. In *Paddington Walk Management Ltd v Governors of Peabody Trust* [2010] L. & T.R.6, the County Court considered an agreement with managing agents which was:

> "for an initial period of one year from 1 June 2006 and will continue on a year-to-year basis with the right to termination by either party on giving three months' written notice at any time"

HH Judge Marshall QC held that it was not a QLTA. At [48] she said:

> "48. In my judgment an agreement for a year certain and then from year-to-year to continue subject to not being terminated is not "an *agreement* for a term of *more* than 12 months" (emphasis added) within the meaning of this part of the statute. 1 reach this conclusion with a little hesitation, but it is still a conclusion that Ms Holland's argument is correct. In other words, the structure of the Act is that the definition of qualifying long-term agreement is to apply to a contract in which the tenants would definitely have to contribute in respect of a period of more than 12 months."

18. In *Poynders Court Ltd v GLS Property Management Ltd* [2012] UKUT 339 (LC), the Upper Tribunal (Lands Chamber) considered a management agreement in the following terms:

> "8 ... The fees under the agreement are £175 per annum per unit plus VAT and this totals £5,000 plus VAT.

Clause 10.9 stated that:

> "Fees would be reviewable after a two year period and thereafter annually, subject to there being no changes in relevant legislation".

The agreement did not specify the period of the agreement. However, it did state in clause 12.1 that:

> "Either party can terminate this Agreement on three month's written notice".

HH Judge Gerald held this created a QLTA. He distinguished between the duration of an agreement and the opportunity to terminate it. He held the meaning of the above provisions was that the management agreement was of indefinite duration,

unless and until terminated by three months' prior notice. He therefore found it to be for more than 12 months.

19. The reasoning of the Upper Tribunal in *Poynders Court* is difficult to reconcile with the reasoning in *Paddington Walk* and this tension was resolved by the case of *Corvan (Properties) Ltd v Abdel-Mahmoud* [2018] EWCA Civ 1102; [2018] L. & T.R. 25. *Corvan* involved a management agreement which provided that:

> "The contract period will be for a period of one year from the date of signature hereof and will continue thereafter until terminated upon three months' notice by either party"

The Court of Appeal found this formula created a QLTA. The Court preferred the approach of HH Judge Marshall in *Paddington Walk*. Macfarlane L.J. (with whom the other members of the Court agreed) said at [36-39]:

> "36 The issue the court is invited to decide is whether it is determinative, for the purposes of assessing whether an agreement is for a term longer than a year, that an agreement involves a commitment to twelve months or more (as contended by the appellant), or that the maximum possible length of the period is greater than a year (as submitted by the respondent).
>
> 37 If it were necessary to do so, I would agree with the appellant's approach to this issue: the deciding factor is the minimum length of the commitment. Indeed, this is what Lewison J (as he then was) assumed in *Paddington Basin Developments Ltd v West End Quarry Estate Management Ltd* [2010] EWHC 833 (Ch) (although the point was uncontroversial), where he noted
>
> > "30. Although the estate management deed has no fixed term, it is *incapable of determination* by West End Quay Estate Management Ltd until the expiry of twenty-five years. Accordingly, it is an agreement for more than twelve months." (Emphasis added).
>
> 38 I would disagree with the approach of the respondent that the deciding factor is the maximum length of the period. HH Judge Marshall QC was correct in *Paddington Walk* at [49] that the deciding factor is the length of the commitment. That must be read as the "minimum commitment". Adopting

the language of cl.5 itself, the issue is the duration of the "term" the parties have "entered into" in the "agreement".

39 If this interpretation is correct, it would follow that HH Judge Gerald was wrong in *Poynders Court*. Whether the agreement is for a term exceeding 12 months is not about the substance of the management agreement and its various obligations. Rather, it is about whether it is an agreement for a term which must exceed 12 months. In *Poynders Court*, whilst the managing agent may have been "intended" to provide the services for a period extending beyond 12 months, the relevant clause as to the term of engagement did not secure that they were under contract to do so for the period of more than twelve months. The requirement that the contract be for a term of more than twelve months cannot be satisfied simply by the contract being indeterminate in length but terminable within the first year."

Although is arguable that at least [37] is *obiter* (as stated in the report headnote), the Tribunal adopts Macfarlane L.J.'s suggested approach to s.20ZA LTA 1985.

20. The *ratio* in *Corvan* turned on a slightly different point, namely the meaning of the provision in the management agreement. The court adopted the approach to assessment of meaning in the well-known judgment of Lord Neuberger in *Arnold v Britton* [2015] UKSC 36; [2015] A.C. 1619. Macfarlane L.J. stated at [29] that:

> "Although the wording of the clause did not prevent the giving of notice of termination before the conclusion of the twelve months, any such notice would have no effect until after the twelve-month period has ended. To hold otherwise would be to do violence to the words 'and will continue'."

QLTA: Submissions

21. The Applicant submitted the key contractual document was the "General Cleaning" document, which was the earliest in time. This expressly stated the UniClean contract ran "indefinitely". "Indefinitely" meant more than "a term of twelve months". The fact the contract could be terminated by either party giving not less than three months' notice did not affect this. Insofar as it was necessary to consider para 5 of the Standard Terms and Conditions, the meaning was informed by the intention

expressed in the "General Cleaning" document. The parties "intended" the agreement to be indefinite.

22. Ms Whiteman submitted there were various ways one could approach the "General Cleaning" document, but each led back to the need to interpret clause 5 of the Standard Terms and Conditions:

    (a) The "General Cleaning" document was simply a stage in negotiations, with no contractual effect at all. The "Acceptance" dated 1 August 2013 was the contractual offer, which incorporated the Standard Terms and Conditions. That offer was later accepted by the Respondent's agents, albeit their acceptance was not in the bundle. This argument was supported by statements in the Acceptance document which specifically envisaged the customer would "instruct" UniClean and the contractor would send its "instruction".

    (b) The "General Cleaning" document was simply a stage in negotiations, with no contractual effect at all. The "Acceptance" dated 1 August 2013 was the contractual offer, which incorporated the Standard Terms and Conditions. That offer was later accepted by the Respondent's agents (albeit the acceptance was not in the bundle). This argument was supported by statements in the Acceptance document which specifically envisaged the customer deciding to give a further "instruction" to Uniclean.

    (c) The "General Cleaning" document was the "Specification" referred to in the Standard Terms and Conditions and therefore formed part of the contractual suite of documents. In which case, it needed to be read together with clause 5 of the Standard Terms and Conditions. The generality of the words used in the former yielded to the more specific wording of the provision in clause 5.

23. Ms Whiteman further submitted that clause 5 provided the contract was not for a period of more than 12 months. It was expressed to be for a period of 3 months, followed by a further indefinite period subject to termination on 3 months' notice.

QLTA: Tribunal's decision

24. The first issue is how the Tribunal should approach the relevant words of the "General Cleaning" document. The 1 month's 'notice' provision in that document is inconsistent with the 3 months' notice provision in clause 5 of the Standard Terms and Conditions. The Tribunal considers the explanation for this is that the relevant words in the "General Cleaning" document were not intended to have contractual effect. The "General Cleaning" document came at an early stage of discussions and before the more formal Acceptance document and the Standard Terms and Conditions. Moreover, the opening words of the relevant sentence are "It is intended that the Contract run indefinitely …". In that sense, "intention" simply meant a preliminary "aim" or a "plan". The reference to notice periods and length of the agreement was no more than an invitation to treat. Moreover, it is relevant that the bulk of the document was a menu of cleaning services to be provided under the future contract. Absent evidence of any other list of cleaning services, the document's main purpose was to serve as the "Specification" referred to in several provisions of the Standard Terms and Conditions. But the sentence dealing with the length of the agreement was not part of this menu of services. Insofar as they were intended to have contractual effect, the relevant words were in any event overtaken by the inconsistent words of clause 5 of the Standard Terms and Conditions. The Tribunal therefore disregards them.

25. Turning to the meaning of clause 5, both parties presented attractive arguments about what was intended. But ultimately, the Tribunal considers the meaning of the words is clear from clause 5 itself. The Applicant urged the Tribunal to find the contract was to run continuously, with a minimum period of 3 months, subject only to the parties' right to terminate on notice. But that requires a re-writing of clause 5. In particular, the result would be a contract running "continuously for a minimum period of 3 months […] unless terminated by either party giving not less than three calendar months' notice in writing". The words "and continue thereafter" would be redundant. If one gives some meaning to the words "and continue thereafter", the sense changes. One asks the question, "after what" would the agreement

"continue"? The answer can only be that the agreement may "continue … after" the initial "period of 3 months". This interpretation also gives some meaning to the words "minimum period". Again, it would be unnecessary to refer to a "minimum period of 3 months", if the agreement could also be ended by giving 3 months' notice. The notice provision had to relate to the second undefined period of the agreement, after expiry of the initial fixed 3-month term.

26. Clause 5 of the Standard Terms and Conditions therefore has the meaning given by Ms Whiteman. The cleaning contract was for an initial "period of 3 months" followed by a continuous term that could be terminated by giving 3 months' notice. It follows that the UniClean Property Maintenance Ltd contract for cleaning services was not a QLTA.

s.20ZA Dispensation

27. In case the Tribunal is wrong about the above, it goes on to consider the application to dispense with the consultation requirements of Sch.1 to the 2003 regulations. Since the consultation requirements in the schedule have not been complied with at all, the application is a retrospective one to dispense with the entirety of Sch.1. It should also be noted the s.20ZA application only seeks dispensation in relation to the subject flat. It does not purport to affect the other lessees.

28. The principles on which dispensation may be given were dealt with by the Supreme Court in the leading case of *Daejan Investments Limited v Benson and others* [2013] UKSC 14; [2013] 1 W.L.R. These principles can be summarised as follows:
    (a) The main, indeed normally, the sole question for the tribunal when considering how to exercise its jurisdiction in accordance with section 20ZA(1) is the real prejudice to the tenants flowing from the landlord's breach of the consultation requirements.
    (b) The financial consequences to the landlord of not granting a dispensation is not a relevant factor. The nature of the landlord is not a relevant factor.

(c) It is not appropriate to distinguish between "a serious failing" and "a technical, minor or excusable oversight", save in relation to the prejudice it causes.

(d) Dispensation should not be refused solely because the landlord seriously breached, or departed from, the consultation requirements.

(e) The tribunal has power to impose a condition that the landlord pays the tenants' reasonable costs (including surveyor and/or legal fees) incurred in connection with the landlord's application under section 20ZA(1).

(f) The legal burden of proof remains throughout on the landlord. The factual burden of identifying some 'relevant' prejudice that they would or might have suffered is on the tenants.

(g) 'Relevant' prejudice is given a narrow definition; it means whether non-compliance with the requirements has led the landlord to incur costs in an unreasonable amount or to incur them in the provision of services, or in the carrying out of works, which fell below a reasonable standard, in other words whether the non-compliance has in that sense caused prejudice to the tenant.

(h) Tribunals will view the tenants' arguments sympathetically, for instance by resolving in their favour any doubts as to whether the works or services would have cost less (or, for instance, that major works would not have been carried out or would have been carried out in a different way), if the tenants had been given a proper opportunity to make their points. The more egregious the landlord's failure, the more readily a tribunal would be likely to accept that the tenants had suffered prejudice.

(i) Where the tenants were not given the requisite opportunity to make representations about proposed works to the landlord, the tenants have an obligation to identify what they would have said, given that their complaint is that they have been deprived of the opportunity to say it.

(j) Once the tenants have shown a credible case for prejudice, the tribunal should look to the landlord to rebut it.

29. The Respondent did not suggest any conditions such as payment of costs or limitation of charges, and submitted none were appropriate. Ms Whiteman's case on s.20ZA LTA 1985 was that the Applicant could show no relevant prejudice. It was notable the Applicant was not even the lessee in 2023, and his s.27A application did not raise any formal objection to the reasonableness of the cleaning services.

30. The Applicant submitted the lessees had suffered relevant prejudice. They were unable to put forward alternative quotations. He accepted the UniClean specification was reasonable, although he might quibble about minor details. It was also incorrect to suggest there were no problems at all with the standard of services provided. There were objections to UniClean's work. But he accepted he had not raised these in his s.27A LTA 1985 application.

The Tribunal's decision: dispensation

31. The only issue here is relevant prejudice. The mere loss of rights under Sch.1 to the 2003 regulations is not enough. The Applicant quite fairly accepted he was not the tenant of the Flat at the time of the UniClean contract. He did provide two other cleaning quotations during the course of the Tribunal proceedings, but these were plainly much later than 2013. There is no evidence the services would have cost less if the tenants had been given a proper opportunity to make their points in 2003. The Applicant fairly admits he has no real objection to the scope of UniClean's cleaning services. The Tribunal therefore finds there is no relevant prejudice, and the s.20Za dispensation should be granted. The Tribunal stresses, as it always does, that the finding in relation to dispensation does not preclude the Applicant, or any other lessee, from contesting the costs of the cleaning services in s.27A LTYA proceedings. For example, any lessee may still bring a claim suggesting the costs were not reasonably incurred or the cleaning services were not of a reasonable standard under s.19(1) LTA 1985.

s.20C costs

32. The Applicant ticked the box on the s.27A LTA 1985 application form to indicate he wished to apply for costs limitation orders under s.20C LTA 1985 and under

para 5A of Sch.11 to the Commonhold and Leasehold Reform Act 2002 ("CALRA 2002").

33. Similar principles apply to both applications. The case law is summarised in *Conway v Jam Factory* [2013] UKUT 0592 (LC) at [51] to [58]. In *Schilling v Canary Riverside Development PTE Ltd* (2006) LRX/26/2005, HHJ Rich stated at [14] that:

> "In service charge cases, the "outcome" cannot be measured merely by whether the Applicant has succeeded in obtaining a reduction. That would be to make an Order "follow the event". Weight should be given rather to the degree of success, that is the proportionality between the complaints and the Determination, and to the proportionality of the complaint, that is between any reduction achieved and the total of service charges on the one hand and the costs of the dispute on the other hand."

34. The Applicant has not succeeded in any part of the s.27A LTA 1985 service charge application or the s.20ZA LTA 1985 application to dispenses with consultation requirements. No reduction has been achieved. The Tribunal finds it is not just and equitable in all the circumstances of this case to make an order under s.27A LTA 1985 or under para 5A of Sch.11 to CALRA 2002.

Conclusions

35. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay the service charge contributions in respect of cleaning services in para 7 above.

36. In any event, the Tribunal dispenses with the requirements of Sch.1 to the 2003 consultation regulations in respect of UniClean's cleaning services. This order applies to 28 Mayfield Court only, and not to any other flat.

37. The Tribunal makes no order under s.27A LTA 1985 or under para 5A of Sch.11 to CALRA 2002.

Appeals

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.