



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

Case References	: MAN/00BY/2020/0003 and 0004
Property	: Flats 6 and 47, East Waterloo Dock, Liverpool
Applicant	: WATERLOO WAREHOUSE RTM COMPANY LTD
Respondent	: ROSS SMITH
Type of Application	: Payability of service charges: section 21B Landlord and Tenant Act 1985 section 47 Landlord and Tenant Act 1987 section 20C Landlord and Tenant Act 1985
Tribunal Members	: Judge A Davies H Lewis, FRICS
Date of Hearing	: 18 February 2026
Date of Decision	: 27 February 2026

DECISION

1. The service charges and administration charges demanded for the period 1 April 2015 (including any balance accrued at that date) to 30 September 2019 in respect of each of Flats 6 and 47 East Waterloo Dock, Liverpool are not payable by the Respondent.
2. Pursuant to section 20C of the Landlord and Tenant Act 1985 the Applicant's costs of these proceedings may not be recovered from the Respondent through his service charge accounts.

REASONS

1. In July 2019 the Applicant lodged two claim forms in the County Court for recovery of service charges from the Respondent. The amounts said to be due were in respect of Flat 6 £9,083.20, being

“Service Charges properly due and invoiced in respect of the periods 01/01/2015 to 31/3/2015 and 01/07/2015 to 30/09/2019. As part of the service charge, the Defendant has also been invoiced for a deficit for expenditure in respect of the periods 01/01/2016 to 31/12/2016 and 01/01/2018 to 31/12/2018.... The Claimant has incurred expenses and costs and has, in accordance with Schedule 11 of the Commonhold and Leasehold Reform Act 2002, invoiced for administration charges ...”

and in respect of Flat 47 £11,567.58, being

“Service Charges properly due and invoiced in respect of the period 01/04/2015 to 30/09/2019. As part of the service charge, the Defendant has also been invoiced for a deficit for expenditure in respect of the periods 01/01/2016 to 31/12/2016 and 01/01/2018 to 31/12/2018.... The Claimant has incurred expenses and costs and has, in accordance with Schedule 11 of the Commonhold and Leasehold Reform Act 2002, invoiced for administration charges ...”

The Respondent owned both Flats 6 and 47 and two other flats at East Waterloo Dock. He was in the business of managing properties under the style “Home Rent”.

2. The Respondent filed an amended defence to the claims. Of the grounds for defence, the following were still extant before this Tribunal:

“the Claimant...is required to prove that it has properly served statutory compliant demands for the service charges. It is averred that I have not received any statutory compliant demand for services charges for the periods set out in the Particulars of Claim.

A statutory compliant demand must include the landlord’s name and address and must be provided with a formal summary of rights and obligations....”

3. By order dated 19 December 2019 the claims were consolidated and “all matters raised in the claim forms and amended defence” were referred to the tribunal. The referral did not include claims for interest and costs, over which this tribunal has no jurisdiction.

4. Following a tribunal decision made without a hearing on 24 November 2021 Mr Smith appealed successfully to the Upper Tribunal. On 5 January 2023 the case was remitted to this Tribunal for re-hearing. In her decision, Judge Elizabeth Cooke identified the outstanding issues to be determined as follows:
 - a. Whether the service charges sent out by Keppie Massie from April 2015 to December 2019 inclusive contained the prescribed information and were accompanied by a summary of the tenant's rights;
 - b. Whether Mr Smith agreed with Keppie Massie that the payments he made after 2015 would be allocated to charges demanded for the year in which they were paid and not to charges claimed to be arrears from before April 2015; and
 - c. Mr Smith's application for an order under section 20C of the Landlord and Tenant Act 1985.
5. At the hearing before the Tribunal, Mr Smith conceded that he had no evidence of an agreement with the Applicant or its managing agents Keppie Massie that his payments towards service charge arrears would be allocated to the most recent service charge account rather than the debit balance inherited by Keppie Massie from the former managing agents Peter Kenny Property Management ("Peter Kenny") on 1 April 2015. He confirmed that he had assumed that this would be the case, and that he had not given any specific instruction regarding how his payments were to be allocated. The remaining issues before this Tribunal are therefore those set out at a. and c. by Judge Cooke.

THE LAW

6. Section 21B of the Landlord and Tenant Act 1985 ("the 1985 Act") provides that a summary of the rights and obligations of tenants in relation to service charges ("summary") must accompany every service charge demand. The form and content of the summary must comply with regulations. Until this requirement is complied with, the tenant may withhold payment of the service charge.
7. Section 47 of the Landlord and Tenant Act 1987 ("the 1987 Act") provides that every written demand for service charge must include the name and address of the landlord. Until this information regarding the landlord is provided, the service charge or administration charge referred to in the demand is not payable by the tenant

THE HEARING

8. At the hearing the Applicant was represented by Mr Byrne of counsel. The witnesses who had provided statements were present: Ms Ward and Ms Stevens. As the credibility of the witnesses was in issue Ms Ward was not in the room while Ms Stevens gave her evidence and the lunch adjournment was delayed until Ms Ward had completed her evidence.
9. Mr Smith represented himself.
10. The Tribunal had a joint hearing bundle prepared in accordance with directions, and some additional documents supplied by Mr Smith.
11. Although the authenticity of documents was to be considered, there were no original documents available for the Tribunal to examine. The Tribunal requested sight of the originals of the demands said to have been served on Mr Smith by email. In response, service charge demands taken from a file (with punch holes) at Keppie Massie's office were brought to the hearing during the afternoon and loaned to the Tribunal pending publication of this determination. A description of these documents is at paragraph 35 below.

THE APPLICANT'S CASE

12. The Applicant claims that the service charge and administration charge demands sent to Mr Smith by their managing agents Keppie Massie from April 2015 onwards complied with the requirements of section 21B of the 1985 Act, and with section 47 of the 1987 Act.
13. In support of this claim, the Applicant relies on the witness statements of Ms Ward and Ms Stevens, both employed by Keppie Massie at all relevant times, and the fact that Keppie Massie say they did not receive any other complaints or queries about the form or content of the service charge and administration charge demands from other leaseholders at East Waterloo Dock.
14. Further, the Applicant asserts that Ms Ward directed the work of Ms Stevens, that she was familiar with her working practices and that she could confirm that "on every occasion" Ms Stevens sent a summary with service charge demands.
15. The updated Statement of Claim dated 24 September 2025 states that the relevant service charge and administration charge demands on which the Applicant relies are at pages 302 to 360 of the hearing bundle. However pages 302 to 329 are service charge demands for Flats 1 and 49. Both these flats have been sold by Mr Smith and he told the Tribunal that he paid the

service charge and administration charges as demanded in order to achieve the sales, but under protest. None of the demands copied at pages 302 to 329 of the bundle contain the correct name and address of the Landlord (some do not have any information about the landlord), and they are therefore not compliant with section 47 of the 1987 Act.

16. Pages 330 to 334 of the bundle are not service charge demands. The majority of pages 335 to 360 are service charge demands for Flats 6 and 47 which show the correct name and address of the landlord and each demand is followed by a summary on the next page. Page 353 is not a service charge demand but a repair invoice (although still followed by a summary). This series of copy invoices continues in the bundle to page 386. They all show the correct name and address of the landlord and the alternate pages are summaries.
17. The demands relied upon by the Applicant in its Statement of Case are therefore different from the demands identified by Ms Ward in her witness statement to the County Court in December 2019, as shown at paragraphs 21 and 22 below.

PETER KENNY SERVICE CHARGE DEMANDS

18. The hearing bundle contains copies of service charge demands issued by Peter Kenny in respect of Flats 6 and 47 for the period 1 July 2012 to 31 March 2015, at which point Keppie Massie took over as managing agents for the Applicant. None of these demands complies with section 47 of the 1987 Act.
19. The defective demands were capable of being rectified by Keppie Massie by the service of compliant demands after 31 March 2015.

EVIDENCE OF MS WARD

20. On 9 December 2019 Ms Julie Ward, then Senior Surveyor and Head of Property Management at Keppie Massie, provided a witness statement in the County Court proceedings, to which was attached exhibit CR03, described in her statement as “copies of the demands for both claims....The previous managing agent’s invoices are included....”. Giving evidence to the tribunal Ms Ward said that she had prepared the witness statement herself but had not attached the documents at exhibit CR03. This had been done, she said, by the solicitors and she was unable to identify for the tribunal which of the copy demands in the hearing bundle comprised exhibit CR03.
21. The tribunal’s hearing bundle includes a document on which is written “County Court Exhibit Service charge demands issued by Keppie Massie

Managing Agents for the Applicants”. This is followed in the bundle by a two page “Tenant Transactions Report” in respect of Flat 6, and Keppie Massie invoices for Flat 6 dated **1 April 2015** (for the “take on balance” ie the balance inherited from the former managing agents), **27 May, 13 August, 29 October** and **21 December 2015, 1 April, 1 July, 18 August** and **14 December 2016, 21 February, 31 May, 30 June, 10 August** and **20 December 2017**, 21 February, *20 March, 20 April*, 6 June, *29 June, 10 August* and *4 December* 2018, and 21 February, *24 May* and 28 June 2019. Of these invoices, those whose dates are shown in bold in this paragraph are not compliant with the 1987 Act in that they do not contain the name and address of the landlord. Instead they state, incorrectly, “The Landlord is Waterloo Warehouse Right to Manage Co Ltd whose registered office is at Suite 7, Church House, 1 Hanover Street, Liverpool L1 3DN.” For the relevance of the underlining, refer to paragraph 35 below and for the relevance of the italicising, to paragraph 40 below.

22. A similar “County Court Exhibit” title page in the bundle is followed by a Tenant’s Transaction Report in respect of Flat 47 and invoices for that flat as follows (excluding repair invoicing): **1 April** (for the take on balance), **27 May, 13 August, 29 October, 21 December 2015, 1 April, 1 July, 18 August, 14 December 2016, 21 February, 31 May, 30 June, 10 August, 20 December 2017**, 21 February, *20 March* and *20 April, 6 June, 29 June, 10 August, 23 August, 4 December* 2018, 21 February, *24 May*, and 26 June 2019. Those invoices whose dates are shown in bold contain the same incorrect information as to the landlord’s name and address.
23. In the tribunal’s bundle, neither of these “County Court Exhibits” seems to include the invoices of the previous managing agents Peter Kenny. However as the bundle contains only one witness statement supplied to the County Court, ie that of Ms Ward, the demands listed at paragraphs 21 and 22 must necessarily be the exhibit CR03. The exhibit does not include any summaries.
24. On 24 March 2020 Ms Ward filed a witness statement in the tribunal proceedings. Although the copy provided to the tribunal is signed, the statement is incomplete in that none of the exhibited documents are identified by the relevant “tab” number. The witness statement includes the following evidence in response to the Amended Defence:

“The demands for Service Charge for both properties are included at tab [blank] They were sent on the date shown on the demand to the address included on the demand.

It is noted that the Lessor’s address is included within the demands. The Respondent derives their title from the Lessor....

The summary of rights of obligations as required under Section 21B(3) of the Landlord and Tenant Act 1985 was included with each Service Charge Demand. For the sake of brevity, these are not reproduced here but include the required wording under the Act.....”

25. The Tribunal comments on this witness statement as follows:
 - (a) The copy demands referred to were not identified either in the statement or before the tribunal at the hearing. But they must have been the same demands as those exhibited by Ms Ward to the County Court some 4 months earlier, since an explanation of any differences must otherwise have been supplied.
 - (b) If that is so, the witness statement is incorrect, in that it seems the landlord’s correct name and address was not included in a number of the demands.
 - (c) The suggestion that the demands were sent “to the address included on the demand” does not square with Ms Stevens’ evidence at the hearing, which was that all demands were sent to Mr Smith by email.
 - (d) It should have been obvious to Ms Ward that, despite her unwillingness to admit it, the Peter Kenny demands and the majority of the Keppie Massie demands did not contain the correct name and address of the landlord.
26. Ms Ward made a third witness statement, dated 13 August 2025, in preparation for the tribunal hearing. She confirmed that the contents of her previous statement “remain correct”. She said that she instructed Ms Stevens to prepare and serve the invoices for service charge demands and that she is satisfied that “on every occasion Megan includes a summary of rights and obligations” and “complies with the requirements set out by statute for demanding service charges”. However giving evidence at the hearing Ms Ward told the Tribunal that she did not directly supervise Ms Stevens, and was not immediately responsible for the content of service charge demands sent to leaseholders. Her oral evidence related to the systems in place at Keppie Massie, which she said were designed to ensure that errors were not made.
27. To this third statement Ms Ward exhibits “a copy of the most recent statement for flats 6 and 47”. These statements of account show sums said to be due from Mr Smith from the take on balance of 1 April 2015 through to June 2025, although the evidence from Mr Smith is that no service charge demands have been served on him for these flats since the end of 2019. On 18 December 2019 Mr Smith emailed Megan Stevens asking her for the service charge accounts for flats 6 and 47 for the period 1 January to 31

March 2020. Ms Stevens replied “due to the leases of Flat 6 & 47 currently being in breach, no invoices will be issued whilst the breach is ongoing.” She confirmed this in evidence to the Tribunal. In any event, the remit of this Tribunal is to ascertain what service charges and administration charges were due from Mr Smith as at July 2019, when the County Court proceedings were issued.

28. At the hearing Ms Ward told the tribunal that the service charge demands were prepared using a case management system which supplied the account managers with a partially completed service charge demand form. Ms Stevens was responsible for populating input fields in the form with the appropriate information. Ms Ward said that it would not be possible to use the form unless each input field had been populated, ie not left blank. As shown at paragraph 34 below, Ms Stevens told Mr Smith by email that “the system” itself provided data for completing the service charge demands – and according to her it had incorrectly inserted the name of the RTM company as “Landlord” instead of the name of the correct landlord at least once; an error not noticed by Keppie Massie. Ms Ward was adamant that there were sufficient checks in place to ensure that incomplete or inaccurate service charge demands were not sent out to leaseholders, but did not provide an explanation for the demands which were sent out with inaccurate information.

EVIDENCE OF MS STEVENS

29. Ms Stevens was responsible for preparing and serving service charge demands on leaseholders at East Waterloo Dock after she joined Keppie Massie in 2016.
30. Ms Stevens did not seem to understand the need for accuracy in her statements to the tribunal. She gave her starting date at Keppie Massie as September and then May 2016. When challenged about this, she confirmed that she started work there in September. More seriously she stated two or three times that a document was “the exact same” as another document – for example that a copy demand she was looking at was the “exact same” as the one she had sent to Mr Smith. Again, when challenged on each occasion she confirmed that the two documents were not the same, in that, for example, the landlord’s details differed or were missing from one of the copies.
31. Ms Stevens said that when in October 2018 the Applicant’s solicitors threatened Mr Smith with court action, he warned the agents in a letter dated 29 October 2018 that the service charge demands he had received were neither compliant with section 47 of the 1987 Act nor accompanied by a statement of tenant’s rights. She told the Tribunal that on learning this

she sent out a second set of service charge demands not only to Mr Smith but to all the leaseholders at East Waterloo Dock. Ms Ward subsequently told the Tribunal that it was unlikely that replacement service charge demands would be sent to leaseholders who had paid and/or raised no objection. Ms Stevens added that when she sent out “corrected” service charge demands “possibly some still said Waterloo Warehouse as landlord.”

32. Ms Stevens confirmed to the Tribunal that she sent service charge demands to Mr Smith from starting work at Keppie Massie to October 2018 as they fell due, and another set of demands in late 2018 on learning that the earlier demands were defective. She did not send him any other demands.
33. Ms Stevens said that all service charge demands for Flats 6 and 47 were sent by email. She said that the summary of tenant’s rights was not printed on the reverse of the service charge demands, but was sent separately with each email. She was unable to explain why none of these emails were in the hearing bundle.
34. On 2 December 2019 Mr Smith emailed Megan Stevens at Keppie Massie asking for the name and address of the freeholder. She replied on 5 December “Apologies, for some reason are (*sic*) system had picked up the Right to Manage name as well as the landlord’s. We understand the name of the Freeholder is ‘the Mersey Docks and Harbour Company Limited whose registered address is Maritime Centre, the Port of Liverpool L21 1LA’.” This information was incorrect. The name of the landlord at the time was Peel Land and Property (Ports) Limited. This exchange of emails relates to service charges payable in respect of Flat 1, not service charges for either of the flats now under consideration. But the email Ms Stevens sent with the corrected demand does have, as an attachment, a document referred to as “Tenants Rights 2013”. The Tribunal has no further information as to whether such a document was served with each of the service charge demands for Flats 6 and 47, other than Ms Stevens’ statement that that was so. Mr Smith says that summaries were not supplied with the demands.

THE SERVICE CHARGE DEMANDS

35. The Tribunal has compared the original demands supplied on the afternoon of the hearing to the copy demands included in the hearing bundle, which are so arranged as to suggest strongly that they were exhibited as CR03 to Ms Ward’s witness statement on 9 December 2019. For Flat 6, details of those copy demands are given at paragraph 21 above and for Flat 47 the details are at paragraph 22. However the originals are different. They date only from 20 March 2018, and none of them contain the correct name and address of the landlord – they all state that the landlord is Waterloo Warehouse Right to Manage Co Ltd. At paragraphs 21 and 22 the dates of

the copy demands where the Tribunal has also seen originals are underlined. The originals of the demands bearing dates which are underlined but not in bold type in those paragraphs (5 for Flat 6 and 6 for Flat 47) show incorrect (non-compliant) landlord details and thus differ from the copy demands bearing the correct landlord details, which were exhibited CR03 to Ms Ward's first statement and confirmed by her, as late as August 2025, to be the demands sent to Mr Smith.

36. The Applicant supplied further copies of the 2015 – 2019 service charge and administration charge demands starting at page 387 in the hearing bundle. Ms Ward explained that these look different because they have been printed freshly off the case management system (rather than copied from documents on file). They all show the correct name and address of the landlord and so comply with section 47 of the 1987 Act. The alternate pages are copies of the summary, the implication being that these were the summaries served with the demands. Regarding these documents, the Tribunal notes
- a) They differ from the copy demands attached as CR03 to Ms Ward's witness statement dated 9 December 2019, and run counter to Ms Stevens' admission that the second set of service charge demands she sent to Mr Smith may also have shown Waterloo Warehouse RTM Co Ltd as the landlord.
 - b) Although some of the invoices are for administration charges, there are no summaries appropriate to administration charges (as required by paragraph 4 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002) – the interleaved summaries are all service charges summaries, and
 - c) As Mr Smith pointed out, at the foot of the summaries pages is printed the name and address of the landlord, and the address is one which appears, from Companies House records, only to have been adopted in or about November 2020. These are therefore not likely to be copies of summaries served with the 2015 – 2019 service charge demands.
37. Yet further sets of invoices for the period 1 April 2015 to 10 August 2017 - for Flat 6 at pages 52 to 62 of the bundle, and at pages 71 to 82 in respect of Flat 47 – have been supplied, apparently by Mr Smith. These have no information at all regarding the name and address of the landlord – the area on the form where that information, incorrect or correct, appears on other copies is blank. Mr Smith indignantly objected to a suggestion that he might have doctored these documents. The Tribunal has no information from which to deduce where they came from or in what circumstances the landlord information came to be missing from them.

ADMINISTRATION CHARGES

38. In her witness statement dated 9 December 2019 Ms Ward told the county court that administration charges “are claimed as variable administration charges under Part 1 paragraph 1(c) and (d) of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.”
39. Schedule 11 to the 2002 Act does not entitle a landlord to charge a leaseholder administration charges in connection with arrears or other breaches of the lease. The schedule sets out a system whereby, where administration charges are payable under the terms of the lease, they may (on application to the tribunal) be limited to reasonable amounts. Paragraph 4 of the schedule requires any demand for such charges to be accompanied by a summary of the rights and obligations of tenants in relation to administration charges. No such summary was included in the hearing bundle or mentioned by the Applicant in its statement of case or by its witnesses.
40. At the hearing, the Tribunal queried with Mr Byrne whether Mr Smith’s lease provided for payment of administration charges. Despite the fact that the Applicant has been actively seeking to recover such sums since July 2019, no such provision has been located in the lease. It follows that none of the demands for sums purporting to be administration charges are payable by Mr Smith. The dates of the administration charge demands are shown in italics in paragraphs 21 and 22 above.

FINDINGS

41. The Applicant having brought proceedings in the County Court, and a defence having been raised, the Applicant has the responsibility of proving on a balance of probabilities its entitlement to the sums claimed.
42. The leases of Flats 6 and 47 do not provide for the recovery of administration charges. Moreover, no administration charge summaries of tenant’s rights and obligations were served on Mr Smith. None of the invoices for administration charges are payable.
43. The invoices for repair costs which are included in the sums claimed by the Applicant are outside the jurisdiction of the tribunal.
44. The demands sent to Mr Smith by Peter Kenny did not comply with section 47 of the 1987 Act. No finding is made as to whether they complied with section 21B of the 1985 Act.

45. Ms Stevens was an unreliable witness who was careless regarding the accuracy of her written and oral statements. In her oral evidence she stated that the corrected invoices were sent out to Mr Smith in 2018 by the accounts team of which she was a member but crucially no email purporting to attach the corrected invoices was produced to the tribunal. Further, Ms Stevens admitted that the invoices were not necessarily correct when sent for the second time.
46. Ms Ward was unable to confirm with conviction either the contents of the service charge demands sent out by her department at Keppie Massie, or that they were invariably accompanied by summaries. The tribunal finds on the basis of her written evidence to the County Court and for the reasons given above in this decision that many of the demands, including the demands for the take on balances, did not contain the correct information about the landlord and therefore did not comply with section 47 of the 1987 Act.
47. The emails sending demands to Mr Smith not having been produced, and the summaries being printed separately rather than on the reverse of the demands, for the reasons given above in this decision the Applicant has failed to prove to the tribunal's satisfaction that section 21B of the 1985 Act was complied with in relation to any of the demands.
48. The Applicant's argument that the tribunal should assume correct service of the service charge demands on the basis that no other leaseholders of East Waterloo Dock raised any complaint or query about them is a false one. The remaining leaseholders may have paid the service charges without raising a query for one of two reasons. First, they may have been unaware of the requirements contained in section 21B of the 1985 Act and section 47 of the 1987 Act. Second, if they were aware of their rights, they may nevertheless have chosen to pay their Right to Manage Company for the services they were receiving under the terms of their leases.

CONCLUSION: Section 20C APPLICATION

49. Mr Smith is not liable to pay the sums claimed in the County Court by the Applicant as administration charges or service charges for the period 1 April 2015 (including the take on balances at that date) to 30 September 2019 for Flats 6 and 47, East Waterloo Dock.
50. Mr Smith has made an application under section 20C of the 1985 Act. In the light of the tribunal's conclusion as to the validity of the service charge demands, his costs application is successful. The Applicant's costs relating to these proceedings may not be recovered from Mr Smith through his service charge accounts.