



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

**IN THE COUNTY COURT AT MEDWAY
sitting at Ashford Tribunal Hearing Centre, 1st Floor,
Ashford House, County Square Shopping Centre,
Ashford, Kent, TN23 1YB**

Tribunal case ref. : HAV/29UH/LIS/2025/0009

County Court claim no. : L14YX323

Property : Flat 16, Miller Heights, 43-51 Lower Stone
Street, Maidstone, ME15 6LN

Applicant/Claimant : Tuscola (199) Limited

Representative : Mr Shaheed Jussab (Counsel)
Instructed by PDC Law

Respondent/Defendant : Ms Catherine Paula Kausaze Muwanga

Representative : In person

Type of Application : Transferred Proceedings in Relation to
Liability to pay service charges under
Landlord and Tenant Act 1985 s.27A

In the County Court : Tribunal Judge David Gethin

Tribunal Members : Tribunal Judge David Gethin
Mr B Bourne MRICS
Mr E Shaylor

Date and venue : 11 November 2025, Ashford Tribunal
Hearing Centre, and 18 February 2026

Date of Decision : 24 February 2026
[Amended on 9 March 2026](#)

AMENDED JUDGMENT AND DECISION

I exercise my powers under Rule 50 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 to correct the clerical mistake at paragraph 8 of the Summary of the Decision made by the County Court dated 24 February 2026. My amendments are made in bold red type. I have corrected the original Decision because of a typographical error.

Summary of the decisions of the Tribunal

- (1) The Tribunal determines that the Respondent is liable to pay the sum of £1,322.41 in respect of 2019-20.**
- (2) The Tribunal determines that the Respondent is liable to pay the sum of £855.37 in respect of 2020-21.**
- (3) The Tribunal determines that the Respondent is liable to pay the sum of £1,528.60 in respect of 2021-22.**
- (4) The Tribunal determines that the Respondent is liable to pay the sum of £1,600.03 in respect of 2022-23.**
- (5) The Tribunal determines the Respondent is not liable to pay any of the sums demanded by the Applicant as a variable administration charge.**
- (6) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the Applicant's costs of the Tribunal proceedings may be recovered from the Respondent through the service charge.**
- (7) The Tribunal makes an order under paragraph 5A, Schedule 11 to the Commonhold and Leasehold Reform Act 2002 so that none of the Respondent's costs of the Tribunal proceedings may be passed to the Applicant as an administration charge.**

Summary of the decisions made by the County Court

- (8) The ~~Claimant~~ **Defendant** shall pay £2,107.73, including costs, within 28 days of the date of this decision.**
- (9) There is no interest payable on the judgment sum.**

The Proceedings

1. References in [] in this decision are to pages taken from the bundle unless otherwise specified.
2. The Applicant/Claimant (“Applicant”) sought, and following a transfer from the County Court at Medway the Tribunal was required to make, a determination under section 27A of the Landlord and Tenant Act 1985 (“LTA 1985”) and Paragraph 5 of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 (“CLRA 2002”). These are matters within the jurisdiction of the Tribunal.
3. The original proceedings were issued on 2 February 2024 [192] in the Civil National Business Centre under Claim No. L14YX323. The Applicant also claimed contractual costs although it did not specify in the Claim Form or Particulars of Claim the term of the lease upon which it relied. These are matters within the jurisdiction of the County Court.
4. The Respondent/Defendant (“Respondent”) filed an undated Defence and Counterclaim some time on or before 21 March 2024 [198-200] which required transfer to the Tribunal to determine issues under LTA 1985, s.27A and CLRA 2002, para. 5, Sch. 11. The proceedings were transferred to the Tribunal by Deputy District Judge Larrinaga sitting at the County Court at Medway by order dated 3 February 2025 [222].
5. A Case Management Hearing was held on 14 July 2025 before Regional Judge Whitney at which Mr Snadden of Counsel appeared on behalf of the Applicant and the Respondent attended in person. Directions were issued by the Tribunal on 14 July 2025 [6-11], and the matter eventually came to hearing on 11 November 2025. An oral judgment was given to the parties on the matters within the jurisdiction of the County Court.
6. However, following the hearing it was apparent that there may have been a misunderstanding as to the sums claimed, in particular for the period 2021/22, and it was necessary to invite written submissions from the parties. Further Directions were issued by the Tribunal on 18 November 2025 (amended 3 December 2025). The Further Directions were complied with, and we apologise to the parties for the delay in the Tribunal re-convening to consider the parties’ submissions due to the panel’s availability.
7. In light of the written submissions, the oral judgment conveyed to the parties at the hearing on 11 November 2025 no longer stands.
8. As a result of amendments made to the County Courts Act 1984, First-tier Tribunal judges are now also judges of the County Court. This means that, in a

suitable case, the Tribunal Judge sitting as a County Court Judge can decide the issues that would otherwise have to be separately decided in the County Court.

9. In this case, the Deputy District Judge Larrinaga ordered that the Tribunal Judge should determine all matters arising from the claim. Therefore, in determining these proceedings, the Tribunal Judge will also decide those issues falling outside the Tribunal's jurisdiction sitting as a County Court Judge after concluding the matters heard by the Tribunal.
10. For the purposes of the County Court issues, the proceedings have been allocated to the small claims track in accordance with the Notice of Allocation dated 23 December 2024 [220-221].
11. Accordingly, Judge Gethin presided over both parts of the hearing, which resolved all matters before both the Tribunal and the Court. Judge Gethin proceeded to sit as a Tribunal Judge alongside Mr Bourne and Mr Shaylor, to make a determination in respect of those matters before the Tribunal, and once the Tribunal decision was made Judge Gethin sat as a County Court Judge.
12. The Claim Form and Particulars of Claim dated 30 January 2024 [184-191] states the amount claimed is £7,025.63 but, regrettably, the documents referred to as being exhibited in Schedules to the appended Particulars of Claim were presented separately within the bundle. Based on the *Statement of Sums Instructed* [716], the amount claimed comprises the following:
 - (a) arrears of service charge in the sum of £4,028.63 consisting of:
 - (i) £763.65; balance of 29 September 2021–24 March 2022, invoice date 11 November 2021;
 - (ii) £1,213.66; 25 March 2022–28 September 2022, invoice date 11 March 2022;
 - (iii) £1,025.66; 29 September 2022–24 March 2023, invoice date 24 October 2022;
 - (iv) £1,025.66; 25 March 2023–28 September 2023, invoice date 25 March 2023.
 - (b) arrears of administration charge in the sum of £762.00 consisting of:
 - (i) £72.00; Second Arrears Letter, invoice date 6 March 2023;
 - (ii) £84.00; Third Arrears Letter, invoice date 30 May 2023;
 - (iii) £432.00; PDC Instruction Fee, invoice date 3 July 2023;
 - (iv) £24.00; Land Registry Fee, invoice date 3 July 2023;
 - (v) £30.00; Transfer Deed, invoice date 2 August 2023;
 - (vi) £120.00; Referral Fee, invoice date 2 August 2023.

(c) 'Contractual Costs' in the sum of £1,680.00, invoice date 2 August 2023.

(d) Claim Fee in the sum of £455.00.

(e) Solicitor Fee for Issuing Claim in the sum of £110.00.

13. Items (a)-(c) above are matters which require prior determination by the Tribunal. Once determined, they will be included alongside items (d)-(e) as matters that fall within any order made in the County Court together with the further costs of the claim, if any, sought by the Applicant.
14. The undated Defence and Counterclaim [198-200] states that the Respondent seeks £4,375.24 in respect of service charges paid under protest, but does not provide a breakdown of how this figure is arrived at, together with the £205.00 court fee for issuing the counterclaim. In the Tribunal's Directions, the parties agreed that the service charge for 2019/20 should be added to the years in dispute as claimed by the Applicant [6-11].
15. This decision acts as both the summary of the reasons for the Tribunal decision and the reasoned judgment of the County Court. Judge Gethin explained that he reserved the right to expand upon the reasons for the Tribunal decision.

The Tribunal Decision

16. The Tribunal has jurisdiction to first deal with items (a)-(c) of the Applicant's claim, namely (a) the service charges for 2020/21, 2021/22 and 2022/23, (b) the administration charges from 6 March 2023 to 2 August 2023 and (c) the 'Contractual Costs' incurred before the claim was issued which we have treated as further administration charges for the purposes of CLRA 2002, para. 5, Sch. 11. We shall also consider the amount that the Respondent is liable to pay for the service charge for 2019/20.
17. The Tribunal does not have jurisdiction to consider the amount claimed in the Respondent's counterclaim. That is a matter for the County Court.
18. The Respondent holds a long lease of the Property dated 21 December 2016 between Smith Homes 4 Limited and the Respondent for a term of 125 years from and including 1 January 2015 ("the Lease") [243-284].
19. The Property is situated in a converted 12-storey building ("the Building") of mostly brick and cladding construction with a car park to the rear entered

from the side of the building. The Applicant acquired the freehold of the Building on 27 April 2021 [291-305].

20. We preface our determination with the following comments.
21. The Applicant relied upon the witness statement of Laura Lockhart, Operations Manager at Centrick Limited (“Centrick”), dated 17 October 2025 [232-240] and exhibits in support [241-639]. Ms Lockhart did not attend the hearing.
22. Miss Jennifer Boateng, Building Manager, attended in her place and adopted Ms Lockhart’s witness statement. That is unsatisfactory, but we allowed Miss Boateng to give evidence despite not having produced her own witness statement. Miss Billie Shuter, Associate Director at Centrick, also attended to support Miss Boateng, but did not give evidence.
23. Miss Boateng explained that Centrick took over management of the Building in October 2021, and they have had difficulty in getting accounts and supporting information from the previous managing agents Grampian House. Miss Boateng was unable to assist the Tribunal on several occasions.
24. In her witness statement, Ms Lockhart explains that having taken over management of the building, Centrick instructed auditors to produce audited accounts for 2020/21. Ms Lockhart goes on to explain that reconciliation of the 2022/23 accounts has not taken place because there is an anticipated shortfall of some £85,000 arising out of increased energy tariffs and maintenance works [para. 14 at 236]. No explanation is given as to why there has been no reconciliation for 2022/23.
25. With regards to the maintenance works, the Tribunal understands that separate Tribunal proceedings were commenced but that the leaseholders will not be liable to contribute towards those costs as they fall within prohibited works for the purposes of the Building Safety Act 2022 (“the BSA 2002”).
26. Miss Boateng did not assume responsibility for the Building until some time in 2024. It was apparent that there was nobody who could give evidence on behalf of the Applicant as to the standards of the works and services carried out at the Building during the years in dispute. We have therefore generally preferred the evidence of the Respondent who had provided contemporaneous photographs of the Building.
27. Mr Jussab sought permission at the hearing to submit copies of invoices sent to the Respondent that were not in the bundle. The Respondent objected, understandably, on the basis that she had not time to prepare. Again, this is unsatisfactory conduct by the Applicant and typical of the general approach

taken in these proceedings despite instructing legal representation. Given they were documents within the Respondent's knowledge or possession, we admitted the following documents:

(a) Letter dated 11 November 2021 enclosing:

- (i) Service charge invoice for the period 29/09/2021 – 24/03/2022 in the sum of £1,463.49;
- (ii) Summary of Rights and Obligations;
- (iii) Statement of Account from 02/06/2021 – 11/11/2021; and
- (iv) a breakdown of the costs;

(b) Service charge invoice for the period 25/03/2022 – 28/09/2022 in the sum of £1,213.66 and Summary of Rights and Obligations;

(c) Service charge invoice for the period 29/09/2022 – 24/03/2023 in the sum of £1,025.66 and Summary of Rights and Obligations.

28. The Respondent's oral evidence was that the Building has been beset by vandalism and anti-social behaviour ("ASB"), with unauthorised persons using the car park to the rear of the Building for drug dealing and gaining entry to the Building to sleep in the hallways. The Respondent provided photographic evidence of vandalism to the interior of the Building [133, 159, 174-176] over several years. On 18 May 2020, there had been a fire in the hallway [136]. The gate to the car park had been repeatedly broken due to forced entry. The Respondent had been too embarrassed to invite friends or family to her home and often felt frightened because of the condition of the Building which we accept has been particularly poor at times, albeit not the fault of the landlord.
29. We do not diminish the impact this has had on the Respondent, but the question we must consider is whether the costs incurred by the Applicant, or its predecessor, have been reasonably incurred and whether the works or services are of a reasonable standard. If there has been damage to the Building caused by unauthorised persons, costs will be incurred and, ordinarily, it will be the leaseholders that have to pay.
30. The Respondent queried why other steps had not been taken to prevent the ASB, such as employing a security guard. That may have been a more effective approach but would have also incurred further costs. There is a tension between the services that leaseholders may want, and how much they are prepared to pay for the additional services.
31. The Service Charge Year is defined in Clause 1.1 of the Lease as "*the accounting period relating to the Service and Service Costs beginning on 1st January 2015 and each subsequent year during the Term provided that the*

Landlord may from time to time... change the date on which the annual accounting period starts... [251]. We were not provided with evidence as to when the Service Charge Year changed, and the Respondent does not take issue with it.

32. Under Clause 5(a) of the Lease [254], the Respondent has covenanted to perform the *Tenant Covenants* which include at Paragraph 2.1 of Schedule 4 [264] that “*The Tenant shall pay the estimated Service Charge for each Service Charge Year in two equal instalments on each of the Rent Payment Dates*” such dates being defined at Clause 1.1 as “*25 March and 29 September in each year*” [250] and at Paragraph 3.1 to pay the Insurance Rent [264-265].
33. The “*Service Charge*” is defined as “*a fair and reasonable proportion determined by the Landlord of the Service Costs*”, such costs being those listed in Part 2 of Schedule 7 [251].
34. Under Clause 6.1 of the Lease [254], the Applicant, and its predecessor, has covenanted to perform the *Landlord Covenants* which include at Paragraphs 4.2-4.3 of Schedule 6 [275-276] that:

“*4.2 Before or as soon as possible after the start of each Service Charge Year the Landlord shall prepare and send the Tenant an estimate of the Service Costs for that Service Charge Year and a statement of the estimated Service Charge for that Service Charge Year.*”

4.3 As soon as reasonably practicable after the end of each Service Charge Year the Landlord shall prepare and send to the Tenant a certificate showing the Service Costs and the Service Charge for that Service Charge Year. The certificate shall be in accordance with the service charge accounts prepared and audited by the Landlord’s independent accountants.”
35. There was no evidence of any reconciliation having taken place for any of the years in dispute, and the practice appears to be for the landlord to set a budget, collect the monies from leaseholders, and not to carry out the required reconciliation. This practice appears to be to charge a *de facto* fixed service charge as the variable service charge mechanism is not followed.
36. Miss Boateng explained that the Respondent pays a 1/140th contribution towards the Service Costs and that this is based on the square footage of the Property as a fraction of the square footage of all flats in the Building.
37. The Respondent does not dispute that she is liable to pay a service charge nor the apportionment that the Applicant seeks.

Service Charge – 2019/20

38. We were not provided with a Statement of Account prior to 8 March 2021, but the Respondent evidenced that the Estimated costs 2019/20 for the Building were £233,357.27 [127] of which she had received a demand for £1,656.84.
39. The Applicant provided an unsigned copy of the audited Service Charge Accounts for the Year Ended (“Y/E”) 30 September 2020 [634-639] which evidenced costs incurred for the Building of £185,137 [637].
40. There was an absence of any other evidence for this period or evidence that a reconciliation had taken place in accordance with Clause 6.1 and Paragraph 4.3 of Schedule 6 to the Lease.
41. The Respondent raised issues with several items in the Estimated Costs [127] which we find were not costs incurred according to the Audited Accounts [634] such as CCTV maintenance. We disregarded those.
42. The Respondent had taken issue with the repeated repairs to the car park gate due to forced entry. We accept that this may have inflated the costs under Repairs & maintenance in the sum of £48,308 against a budget of £42,880 for General repairs, but nevertheless we find that the additional cost was reasonably incurred.
43. Whilst the Respondent provided photographic evidence of rubbish in the floor of the lift, and bird excrement on the exterior of the window of the Building [132] during this period, there was no evidence that such instances were left unresolved for prolonged periods of time. We therefore make no deductions on the basis that the services were not to a reasonable standard.
44. We find that we are entitled to rely on the audited Accounts as being the costs incurred by the Applicant’s predecessor-in-title and based on the 1/140th apportionment the amount the Respondent is liable to pay for 2019/20 is £1,322.41 rather than £1,656.84.

Service Charge – 2020/21

45. We were not provided with a Statement of Account prior to 8 March 2021, but the Respondent evidenced that the Estimated costs 2020/21 for the Building were £233,357.27 [139] and although no demand was provided, the Respondent’s Statement of Account dated 6 August 2025 [320-321] shows that there was a demand for £1,656.84 for this period raised on 2 June 2021.

46. The Applicant provided a copy of the audited Service Charge Accounts for Y/E 28 September 2021 [323-329] which evidenced costs incurred for the Building of £233,006.85 including allocation to the General Reserve Fund [327].
47. The auditors were instructed by Centrick, being the first time that there had been end of year accounts since the Applicant acquired the Building, but no reconciliation had taken place. That appears to reflect the fact that the overall figure was close to the Estimated Costs, but only as a result of two line items; the allocation to the General Reserve Fund and *Unknown Grange Homes Expenditure*. The latter falls within the costs incurred by the Applicant's successor-in-title which Miss Boateng said the Applicant had incurred difficulty obtaining information from.
48. Those costs are clearly not evidenced being described as "*unknown*", and more than 4 years on there is no evidence to suggest that the Applicant will secure such information. We disregarded these in their entirety.
49. The Respondent raised issues with several items in the Estimated Costs [139] which we find were not costs incurred according to the Audited Accounts [327]. Again this included CCTV maintenance, but also Bin Store Cleaning, Window Cleaning, and Gym Equipment Maintenance. Only £1,882.12 was allocated to Communal Area Cleaning and £4,410.00 to Caretaker Maintenance with no other caretaker Costs recorded.
50. We mean no disrespect to the Respondent and the concerns she expressed about the lack of services in the Building during 202/21, and her evidence was consistent with the fact that the audited Accounts show that there was a lack of, or complete absence of, these services provided during this period. All we can say is that the Applicant's predecessor-in-title did not incur costs during this period on these services, but the Respondent does not have to pay for these services accordingly.
51. The Respondent also raised the issue of a severe soil stack leak which caused damage to her bedroom. The leak was first reported in December 2020 and the Respondent's evidence was that this was not resolved until February 2022. Evidence of this was provided by the Respondent's photos and screenshots of messages [141-145 and 154]. This is corroborated by the Applicant's evidence that the insurer made payment against the loss on 14 December 2022 [707].
52. This mostly pre-dates the involvement of the Applicant and Centrick, but it is concerning to hear of the delay in resolving the issue. With regards to the loss of amenity and financial losses incurred by the Respondent, no evidence was provided in the hearing bundle of what these were. We are therefore unable to afford the Respondent any set off against the service charge for this period or 2021/22.

53. Paragraph 1(vi) of Part 2 to Schedule 7 of the Lease [279] provides that the Service Costs shall include “*putting aside such sum as shall be reasonably be considered necessary by the Landlord... to provides reserves or sinking funds for items of future expenditure to be incurred or expected to be incurred at any time in connection with providing the Services...*”.
54. Part 7.5 of the RICS’ *Service Charge Residential Management Code 3rd edition* (“the Code”) states that “*It is, therefore, considered good practice to hold reserve funds where the leases permit.*”
55. We conclude that the allocation to the General Reserve Fund is reasonable. However, the Applicant should explain the basis of the amount allotted. Part 7.5 of the Code tells its members that they “*should also recommend your clients to have a costed, long-term maintenance plan that reflects stock condition information and projected income streams. This should be made available to all leaseholders on request and any potential purchasers upon resale.*” Miss Boateng said that Centrick were working on one at the time of the hearing. The Respondent will no doubt make enquiries of the Applicant as to the progress made on that following this decision.
56. With regards to the *Management fees*, we had regard for the fact that the Applicant was not the landlord, for the majority of the 2020/21 accounting period, nor was Centrick the managing agent until October 2021. We have had regard for the lack of cooperation provided in furnishing Centrick with information following the handover.
57. The *Management fees* (£38,100.57) are equivalent to 21% of the Total expenditure (before reserve fund movement) even before the deduction for the unknown expenditure, which we consider to be excessive, and no explanation was given as to why they were nearly double the audited costs incurred in 2019/20. There is no evidence that the managing agent at the time had spent greater than usual time managing the Building, or the Building is of particular complexity.
58. Drawing on our own experience as a specialist tribunal, we have allowed a *Management fee* of 15% of the total costs we have allowed in managing the Building (and will apply the same methodology for the subsequent years too). Given the extremely limited work in administering the General Reserve Fund the management fee should not apply to those monies allocated to the General Reserve Fund. We also had regard for the evidence that the management of the Building was poor at this time.

59. The *Management fee* is therefore calculated as 15% of the total costs incurred by the Applicant's predecessor-in-title in this period based on the audited Accounts [327] being:

Total expenditure (before reserve fund movement)	180,995.84
Unknown Grange Homes Expenditure (disallowed)	(83,909.67)
Management fees (not to be included in calculation)	(38,100.57)
Amount on which 15% shall be calculated	58,904.60
Management fee (15%)	8,835.69

60. We find that we are entitled to rely on the audited Accounts as being the costs incurred by the Applicant's predecessor-in-title and based on the 1/140th apportionment the amount the Respondent is liable to pay for 2020/21 is £855.37 rather than £1,656.84.

Service Charge – 2021/22

61. The information provided in the bundle, and in the Applicant's late evidence admitted at the hearing, could not be reconciled with the amounts demanded of the Respondent. It was necessary to direct the parties to provide further submissions and we relied upon the revised 2012/22 Estimated costs, referred to by the Applicant's solicitors as the "*2nd budget*" as part of its submissions dated 12 December 2025, when reaching our decision. It is deeply regrettable that even having applied to admit late evidence at the hearing, the Applicant had still failed to place before us the correct information.
62. This was the first year in which Centrick was the managing agent and was so for nearly all of the accounting period. Matters are complicated in that prior to this year issues with the cladding were noted and substantial sums were demanded from the leaseholders to remediate the defective cladding, termed the EWS1 Works or the Major/Project Works. Those costs, totalling £1.3 million, were subsequently reversed, and there was a separate credit note applied shortly after the first half-yearly invoice in this period was served. The 2nd budget (less the EWS1 Works) [Applicant's Written Submissions] equated to £2,427.31.
63. The sums that the Respondent has been actually asked to pay, and which are claimed, are two invoices dated 12 November 2021 and 11 March 2022 together with a credit note dated 11 December 2021 which come to a total of £2,427.32.
64. No reconciliation has taken place despite all costs having been incurred by the Applicant or Centrick. No credible explanation was given for the failure to audit the accounts for this period which should have taken place "*As soon as*

reasonably practicable after the end of each Service Charge Year”, Paragraph 4.3 of Schedule 6 to the Lease.

65. Ordinarily, a Tribunal should be slow to determine a landlord’s demand for costs on account to be unreasonable. In order to implement effective property management, a landlord will need to be placed in funds for the year ahead. A landlord should be granted a wide discretion in such matters, mindful that if the costs incurred are in fact significantly different, or have been incurred on matters other than that upon which the budget was based, the tenant will have the opportunity once the reconciliation has taken place to bring a fresh challenge if they wish to do so.
66. There was no evidence as to when the Applicant intends to carry out the reconciliation for 2021/22 or if indeed intends to do so. We have therefore scrutinised the Estimated Costs more than we would otherwise have done.
67. The Respondent’s complaints regarding the standard of the works and services, or absence thereof, mirrored those raised in previous years.
68. We had regard for Zacaroli LJ’s summary of the law as to the burden of proof and the observation that “*In a case where a landlord claims payment of service charges in court proceedings, it has the legal burden of proof.*”, see *Spender & Ors v Fit Nominee Ltd & Anor* [2025] EWCA Civ 1578 §79-89. The legal burden of proof is on the Applicant to show that the costs sought are reasonable.
69. As a result of scaffolding that had been erected prior to this period due to the EWS1 works, we find it would not be reasonable for the Applicant to have anticipated carrying out window cleaning. We disregarded these costs. For the same reason, we disregarded the External Maintenance costs as these were unlikely to be incurred pending the completion of the EWS1 works.
70. We reduced a number of other items where we had the benefit of the costs actually incurred in 2019/20 and 2020/21 as well as the budget for 2022/23, such that we could be confident that the Applicant could not have reasonably anticipated costs to this extent in 2021/22. Those items are as follows:

Item of expenditure	Estimated cost	Allowed cost
Building Manager	3,500.00	0.00
Caretaker Costs	25,666.67	9,000.00
CCTV	5,100.00	1,000.00
Communal Area Cleaning	14,256.19	6,000.00
Fire Safety Systems	17,750.00	3,500.00
General Repairs	30,000.00	5,000.00
Water Rates	28,000.00	0.00

71. The evidence from Miss Boateng was that a Building Manager was not appointed until December 2023. This new role was intended to take over the caretaking duties as well as the role of managing the building more generally. Given the limited caretaking maintenance which took place during 2020/21, we took the dual budgeted Building Manager/Caretaking Costs and allowed £9,000.00 for the period.
72. With regards to water charges, the most recent bill in the bundle was dated 25 July 2021. There was no evidence of costs being incurred during this period and the Respondent's evidence was that individual leaseholders were to pay [134].
73. With regards to the CCTV, the Respondent's oral evidence was that dummy cameras were employed such that none of the persons responsible for the vandalism in the Building could be identified. We accept that if dummy cameras are replaced, there will be costs incurred but absent evidence of a fully operational and recording CCTV system, we allow £1,000.00 for replacement of equipment.
74. The Respondent disputed the anticipated costs of the 24/7 Emergency Response, on the basis that they were higher than the costs incurred in 2020/21. We do not consider the anticipated cost to be so high as to be unreasonable. We allowed it. Whilst the Respondent may not 'see' the service, that is to be expected. Calls made to a remote service will not be visible, and call outs to investigate will likely take place during antisocial hours. Given the concerns raised earlier about the access of the Building by unauthorised persons, we consider this to be a sensible and cost-effective approach to minimise ASB.
75. Making the relevant deductions and applying the 15% fee we have allowed above on all items save the General Reserve Fund, we find that the *Management fee* should be £18,783.04 for 2021/22.
76. We have taken the 2nd budget and, having made the adjustments described above, based on the 1/140th apportionment the amount the Respondent is liable to pay for 2020/21 is £1,528.60 rather than £2,427.31.

Service Charge – 2022/23

77. This was the second year in which Centrick was the managing agent and was so for the entire accounting period. We relied upon the breakdown of Estimated Costs [169].

78. The sums that the Respondent has been actually asked to pay, and which are claimed, are two invoices dated 24 October 2022 and 25 March 2023 which come to a total of £2,051.32.
79. Again, no reconciliation has taken place despite all costs having been incurred by the Applicant or Centrick and no credible explanation was given for the failure to audit the accounts for this period.
80. We approached 2022/23 in the same way that we did for 2021/22.
81. Given Miss Boateng's oral evidence that no Building Manager was appointed until December 2023, we have disallowed the £44,700.00 in full. Although the Applicant may have anticipated placing someone in post during this time, the clear evidence was that this did not happen. That would have been reflected had the Applicant complied with its duty to carry out a reconciliation.
82. With regards to the other costs, we disallowed the Window Cleaning and Water Rates in full for the reasons given for 2021/22. We allowed the same amount for CCTV that we did for 2021/22.
83. The photographic and oral evidence from the Respondent was the failure to maintain and repair the gym, which had been a target of vandalism. Given there was no evidence of costs incurred, or evidence of works being undertaken, since 2019, we disallowed the anticipated costs for Gym Equipment Maintenance.
84. The Applicant may be in breach of the terms of the lease by not providing the agreed amenities within the Building, but that is not a matter that falls within the Tribunal's jurisdiction.
85. In respect of the other items, we considered the anticipated expenditure to be reasonable given the anticipated sums were often less than for 2021/22 and, despite our concerns about the Applicant's disregard for the service charge machinery, we make no further deductions. We note the increase in the Insurance but there are invoices in the bundle to support these increased amounts and so we make no adjustment.
86. Making the relevant deductions and applying the 15% fee we have allowed above on all items save the General Reserve Fund, we find that the *Management fee* should be £21,403.50 for 2022/23.
87. Having made the adjustments described above, based on the 1/140th apportionment the amount the Respondent is liable to pay for 2020/21 is £1,600.03 rather than £2,051.32.

General comments

88. Although we recognise that there is some historic poor practice which took place before the Applicant or Centrick became involved in the management of the Building, the evidence was that the common parts of the Building were often left in a filthy state, window cleaning was not undertaken, repairs were not carried out promptly, and ASB was not promptly and adequately addressed. We empathise with the Respondent that this creates an environment where she did not feel the Property was a home to be proud of. The ongoing EWS1 works have also presented a barrier to some of these issues being resolved.
89. The Tribunal takes a dim view of the Applicant's repeated failure to comply with the service charge mechanism. Should the Applicant have actually incurred higher costs than we have allowed above for 2021/22 or 2022/23, it is for the Applicant to carry out the reconciliation and serve a balancing demand based on the actual costs incurred. If costs incurred are less than anticipated, a credit should be applied against the account.
90. Given the passage of time, the Applicant should be aware that leaseholders may not be liable to pay any shortfall if demanded given the effect of LTA 1985, s.20B.
91. It is in the Applicant's best interest to address the concerns that have been noted by the Tribunal if it is to avoid further proceedings being brought by the Respondent for service charges since and including 2023/24. With Miss Boateng installed as the Building Manager, it is to be hoped that the Applicant is approaching the management of the Building in a more proactive manner than has been the case previously.

Administration Charges

92. The Applicant sought £762.00 in respect of administration charges for all steps in the arrears' action up to 3 July 2023.
93. Copies of the Late Payment Reminders dated 6 March 2023 and 30 May 2023 as well as the Letter Before Action dated 3 July 2023 can be found in the bundle [710-733].
94. The bundle did not include a demand for payment for each letter, nor for the Land Registry Fees, either from the Applicant or Centrick. Miss Boateng said that supporting documents and invoices and *Administration Charges - Summary of Rights and Obligations* [732] would have been sent with each of the Late Payment Reminders sent by Centrick. A Schedule of Charges would

inform the Respondent what the fee would be for each step in the arrears process, but no Schedule was included in the bundle.

95. Given all of the letters above pre-date Miss Boateng's involvement with the Building, we were not satisfied that we could rely on her oral evidence as to what had occurred at the time. The Letter Before Action sent by PDC Law did not constitute a demand for payment from either the Applicant or Centrick nor could it. We also had regard for the fact that the Service Charges Statement of Account dated 6 August 2025 [320-321] only included the charges for the Late Payment Reminders which we consider to be evidence that the costs incurred in instructing PDC Law were never demanded.
96. Absent evidence of any valid administration charge demands having been served, the administration charges are disallowed in full.

Contractual Costs – Pre-Issuance of the claim

97. The Applicant also seeks £1,680.00 of Contractual Costs incurred prior to the issue of the Claim ("Pre-Action Costs").
98. Under Clause 5(a) of the Lease [254], the Respondent has covenanted to perform the *Tenant Covenants* which include at Paragraph 7 of Schedule 4 [266]:

"7. Costs

To pay on demand the costs and expenses of the Landlord (including any solicitors' surveyors' or other professionals' fees costs and expenses and any VAT on them) assessed on a full indemnity basis incurred by the Landlord (both during and after the end of the Term) in connection with or in contemplation of any of the following:

(a) the enforcement of any of the Tenant Covenants;

(b) preparing and serving any notice in connection with this lease under section 146 or 147 of the Law of Property Act 1925 or taking any proceedings under either of those sections notwithstanding that forfeiture is avoided otherwise than by relief granted by the court;..."

99. The Respondent is liable under the Lease to pay Pre-Action Costs, subject to the costs being reasonably incurred. The Respondent has previously made payments under protest which protects her position [116-123] but stopped doing so since 11 August 2022.

100. If the Applicant seeks Pre-Action Costs, they will be costs to be considered as an administration charge and subject to CLRA 2002, para. 5, Sch. 11 as opposed to costs in the claim to be determined by County Court.
101. However, there was no evidence as to how the Pre-Action Costs were incurred or that they had been demanded of the Respondent. We had regard for the fact that the Service Charges Statement of Account dated 6 August 2025 [320-321] did not record the Pre-Action Costs as having been demanded. We disallowed the Pre-Action Costs in full.

Summary of the Tribunal's determinations

102. To aid the parties, we record below a summary of the Tribunal's decisions.

Item	Demanded	Allowed	Difference
2019/20	1,656.84	1,322.41	(334.43)
2020/21	1,656.84	855.37	(801.47)
2021/22	2,427.31	1,528.60	(898.71)
2022/23	2,051.32	1,600.03	(451.29)
Admin Charges	762.00	0.00	(762.00)
Pre-Action Costs	1,680.00	0.00	(1,680.00)

103. Those are our determinations of what the Applicant was liable to pay for each of the charges in dispute. The judgment in the County Court will go on to consider what the Respondent is actually due to pay.

Application Under s.20C and Para.5A and Refund of Fees

104. The Respondent has applied for an order under section 20C of the 1985 Act and under paragraph 5A of Schedule 11 to the 2002 Act preventing the Applicant from recovering any of its legal costs of the Tribunal proceedings either as a service charge or as an administration charge.
105. Mr Jussab resisted the making of either order. The Respondent was worried about the costs being passed on to her either through the County Court claim or later on. Whilst the Applicant had said that the Respondent was not cooperative, the Respondent submitted that there were numerous emails in the bundle showing her attempt at engagement.
106. Having considered the parties' submissions and taking into account the determinations above, the Tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act and under paragraph 5A of Schedule 11 to the 2002 Act, so that the Respondent

may not pass any of its costs incurred in connection with the proceedings before the Tribunal either through the service charge or as an administration charge.

The County Court Decision

107. I, sitting alone as a judge in the County Court and having regard for the Tribunal's determination of the liability of the Respondent to pay each of the items (a)-(c) of the Applicant's Claim as well as the Service Charge for 2019/20, need to consider the effect of the Tribunal's decision on the Claim brought by the Applicant.

Amount Claimed

108. The account balance prior to 8 March 2021 [320-321] shows that the Respondent was in credit against her account in the sum of £536.00. A purported debit on 8 March 2021 and reversal of the same sum on 3 June 2021 suggests that credit balance was correct.
109. The Respondent then makes further payments between 9 June 2021 and 11 August 2022 totalling £1,570.73 which are credited to her account between 6 July 2021 and 12 August 2022.
110. The payment references taken from the Respondent's bank statements [116-123] do not indicate which invoice each payment was to be allocated against but make clear each payment is under protest. It appears that, in my view correctly, the Applicant has treated the statement of account as a running account and allocated the credit balance and subsequent payments against the oldest outstanding invoice. Applying the principles regarding appropriation taken from *One Housing Group Ltd v Wright & Ors* [2015] UKUT 0124 (LC), and absent any other evidence to the contrary I am satisfied that the arrears of service charge in respect of the invoices up to 28 September 2023 was indeed £4,028.63.
111. Having regards for the Tribunal's determinations, and applying the deductions recorded above for the Service Charges for 2019/20 to 2022/23 as well as the Tribunal's determinations in respect of Administration Charges and Pre-Action Costs, this reduces the amount payable to £1,542.73.

Interest

112. Under Clause 5(a) of the Lease [254] and Paragraph 4 of Schedule 4 to the Lease [265], the Applicant is entitled to contractual interest at 4% above the base rate from time to time of Barclays Bank plc, such interest accruing on a daily basis for the period from the due date and including the date of payment.

113. However, the Applicant's solicitors did not plead a claim for interest and none is awarded.

Costs

114. Under Clause 5(a) of the Lease [254] and Paragraph 7 of Schedule 4 to the Lease [266], the Applicant is entitled to its costs of the claim to be assessed on a full indemnity basis in connection with or in contemplation of enforcement of any of the Tenants Covenants or in connection with forfeiture proceedings. The Applicant's solicitors pleaded it sought costs, although it did not plead the term of the Lease upon which it relied.
115. Given the Applicant has succeeded in its claim, albeit the amount has been significantly reduced, the starting point would be that the Respondent should pay the Applicant's costs on a full indemnity basis although the amounts charged have to be reasonable. This is the starting point notwithstanding the fact that the Claim has been allocated to the small claims track. It is likely that the costs of the proceedings would be greater than the amount in dispute.
116. However, despite the Applicant instructing solicitors in this matter and Counsel being instructed to represent the Applicant at the hearing, no schedule of costs was provided upon which I could carry out an assessment.
117. I therefore allow the Applicant the cost of its Claim Fee of £455.00 and the Legal Representative's fixed cost of £110.00 of issuing the Claim.
118. Turning to the Respondent's Counterclaim, the Applicant had already had regard for the Respondent's payments under protest. I therefore make no order requiring the Applicant to reimburse the Respondent's fee of £205.00 for bringing the Counter Claim.
119. Given that the Tribunal has made a decision regarding the service charges and administration charges, the landlord is entitled to a judgment in that sum. A separate County Court order, reflecting this decision is attached.

Name: Judge Gethin

Date: 24 February 2026

Rights of appeal

Appeals in respect of decisions made by the FTT

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application 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. Where possible you should send your further application for permission to appeal by email to rpsouthern@justice.gov.uk as this will enable the First-tier Tribunal to deal with it more efficiently.
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.

Appeals in respect of decisions made by the Tribunal Judge in his/her capacity as a Judge of the County Court

5. An application for permission to appeal may be made to the Tribunal Judge who dealt with your case or to an appeal judge in the County Court.
6. Please note: you must in any event lodge your appeal notice within 21 days of the date of the decision against which you wish to appeal. Further information can be found at the County Court offices (not the tribunal offices) or on-line.

Appeals in respect of decisions made by the Tribunal Judge in his/her capacity as a Judge of the County Court and in respect the decisions made by the FTT

7. You must follow **both** routes of appeal indicated above raising the FTT issues with the Tribunal Judge and County Court issues with either the Tribunal Judge or proceeding directly to the County Court