



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

Case Reference : **MAN/00CF/LAC/2025/0005**

Property : **30B Greenfield Road, Rotherham**

Applicant : **GARY WILMOT**

Respondent : **ROTHERHAM METROPOLITAN BOROUGH
COUNCIL**

Type of Application : **Application for leave to appeal**

Tribunal Members : **Judge A Davies
Tribunal Member A Davis, MRICS FAAV**

Date of Decision : **28 May 2026**

REVIEW OF DECISION
Pursuant to Rule 53 of
The Tribunal Procedure (First-tier Tribunal)
(Property Chamber) Rules 2013 (“the Rules”)

1. The Applicant seeks leave to appeal against the decision of the Tribunal dated 20 May 2026 on a point of law, namely that the Tribunal’s decision failed to record its determination in relation to a legal issue raised in the proceedings.
2. The issue raised by the Applicant was whether the demand for the administration charge of £212, which the Tribunal found to be payable to the Respondent, was effective despite the initial demand not having been accompanied by a Summary of Tenant’s Rights (Summary) as required by paragraph 4 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002

and the second demand having been accompanied by a Summary which was not in prescribed form. The Applicant says “the Tribunal failed to address the legal effect of the Respondent’s admitted non-compliance”.

3. The Tribunal gave reasons for its determination (a) that the administration charge of £212 was payable and (b) that the charge of £52.50 was not payable. It did not address the effectiveness of the demands for payment issued by the Respondent.
4. Paragraph 53(1) of the Rules reads:

“On receiving an application for permission to appeal the Tribunal must first consider, taking into account the overriding objective in rule 3, whether to review the decision in accordance with rule 55”

and Rule 55(1) reads
“The Tribunal may only undertake a review of a decision –
(a) pursuant to rule 53...; and
(b) if it is satisfied that a ground for appeal is likely to be successful.”
5. Paragraph 56 of the Rules provides:

“The Tribunal may treat an application for a decision to be corrected or set aside or for permission to appeal against that decision, as an application for any other one of those things.”
6. The Tribunal finds that the stated ground for appeal is likely to be successful, and treats the application as an application for the decision to be reviewed and corrected.
7. Accordingly the original decision is corrected by substituting the decision at the Appendix to this order.
8. The Tribunal’s decision having been reviewed and corrected, permission to appeal is refused.
- 1) If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.

- 2) The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
- 3) If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite being within the time limit.
- 4) The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.

NOTE: Any party that did not have an opportunity to make representations in relation to the Application for Leave to Appeal may apply for this decision to be set aside and for the decision to be reviewed again.

APPENDIX



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

Case Reference : **MAN/00CF/LAC/2025/0005**

Property : **30B Greenfield Road, Rotherham**

Applicant : **GARY WILMOT**

Respondent : **ROTHERHAM METROPOLITAN BOROUGH
COUNCIL**

Type of Application : **Application as to payability of administration
charges, Schedule 11 to the Commonhold and
Leasehold Reform Act 2002**

Tribunal Members : **Judge A Davies
Tribunal Member A Davis, MRICS**

Date of Decision : **20 May 2026**

DECISION

- 1) The administration charge of £212 is not payable by the Applicant to the Respondent in connection with his sale of the Property in 2025.
- 2) The Tribunal makes no order in relation to the sum of £52.50 charged to the Applicant in connection with the Respondent's approval of his re-mortgage in 2024.
- 3) No order is made pursuant to section 20C of the Landlord and Tenant Act 1985 or paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

- 4) The Respondent is ordered to pay £100 to the Applicant within 14 days of the date of this decision, as reimbursement of the fee paid with the application to the tribunal.

REASONS

Background

1. The Applicant seeks an order as to whether administration charges levied by the Respondent are payable under the terms of his lease of 30B Greenfield Road, Rotherham (“the Property”), which has now been sold.

2. The disputed charges are:
 - (a) £52.50 charged in 2024 on renewal of the Applicant’s mortgage; and
 - (b) £212 charged in 2025 to approve a sale of the Property and assignment of the lease.

The Applicant has paid these sums under protest.

The lease

3. The Respondent leased the Property to the Applicant under a shared ownership lease, the Applicant’s share of the freehold being 75%. The lease, dated 25 September 2020, creates a term of 125 years from 1 January 2020 and the annual rent payable (25% of the gross rent) is £653.16.

4. In addition to rent, clause 3.4 of the lease provides that the Applicant must pay
 - a) interest on unpaid sums;
 - b) a fair and proper proportion of the Respondent’s insurance costs;
 - c) a fair and proper proportion of rates, taxes and other outgoings charged in respect of the Property and communal facilities;
 - d) a fair and proper proportion of the cost of maintaining and managing the estate of which the Property formed part, including services and communal facilities and the creation of a sinking fund;

and, further, clause 3.4.3 of the lease requires the leaseholder to

“pay to the Landlord on demand any administrative charges incurred by or on behalf of the Landlord including but not limited to:

- (a) the grant of approvals under this Lease or applications for such approvals;*
- (b) the provision of information or documents by or on behalf of the Landlord;*
- (c) costs arising from non-payment of a sum due to the Landlord; and/or*
- (d) costs arising in connection with a breach (or alleged breach) of this Lease.”*

5. Attached to the lease, following the execution page, are appendices. The copy lease provided to the Tribunal did not include any document identified as Appendix 1. The Appendices seen by the Tribunal were
- Appendix 2 – Memorandum of Staircasing
- Appendix 3 – Example of Notice of Rent Increase
- Appendix 4 – Key information for Shared Owners. This appendix states, at paragraph 5 under the heading “Mortgagee Protection Provisions” the following advice: *“...the Landlord agrees that if the Leaseholder defaults the Landlord will compensate the Lender for some part of the loss incurred if the proceeds from the sale of the Leaseholder’s share of the property are insufficient. For this reason the Leaseholder’s lender will need to obtain the consent of the Landlord to the terms of the Leaseholder’s mortgage.”*
6. Paragraph 7 of Appendix 4 states that it summarises *“the key terms of the standard form Shared Ownership Lease issued by the Homes and Communities Agency”*. There is a note in bold type at the end of Appendix 4 that reads *“This guidance note does not form part of the lease and is not to be taken into account in the interpretation of any provision in the Lease. It is important that the Leaseholder gets legal advice before entering into the Lease.”*
7. Clause 3.21 of the lease is the alienation clause. Subclause 3.21.4 requires the Applicant to obtain the Respondent’s prior written consent to any assignment and to ensure that the assignee enters into a direct covenant with the Respondent to comply with the terms of the lease and further requires him *“to pay the Landlord’s reasonable legal and administrative costs in connection therewith”*.

8. Subclause 3.21.5 reads “*On or before the completion of any assignment permitted by virtue of subclause 3.21 the Leaseholder shall pay to the Landlord its administrative costs and expenses not exceeding 1.5% of the consideration receivable by the Leaseholder for the assignment.*”

The law

9. Schedule 11 of the Commonhold and Leasehold Reform Act 2002 (“Schedule 11”) contains provisions relating to the reasonableness of administration charges, which are defined at paragraph 1(1) as
- “an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly –*
- (a) for or in connection with the grant of approvals under his lease, or applications for such approvals,*
 - (b) for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,*
 - (c) in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to this lease otherwise than as landlord or tenant, or*
 - (d) in connection with a breach (or alleged breach) of a covenant or condition of his lease.”*

This wording having been to a recognisable extent followed at clause 3.4 of the Applicant’s lease, payments becoming due under that clause fall within the statutory definition of administration charges.

10. Paragraph 1(3) of Schedule 11 defines “variable administration charge” as an administration charge which is neither specified in the lease nor calculated in accordance with a formula specified in the lease.
11. A variable administration charge is only payable to the extent that the amount of the charge is reasonable. Paragraph 5 of Schedule 11 provides that an application may be made to the tribunal for a determination as to whether an administration charge is payable and further provides that the application may be made whether or not the administration charge has already been paid provided it has not been agreed or admitted.

12. Paragraph 4 of Schedule 11 provides that a demand for the payment of an administration charge must be accompanied by a Summary of the Rights and Obligations of tenants in relation to administration charges (“Summary”). Regulations made under that paragraph set out the prescribed requirements as to the form and content of the Summary. Paragraph 4(3) of Schedule 11 states *“A tenant may withhold payment of an administration charge which has been demanded from him if sub-paragraph (1) is not complied with in relation to the demand.”*

The application

13. Having paid the sums demanded, on 2 June 2025 the Applicant applied to the tribunal for a determination as to whether they were payable. The Applicant says that the sum paid for consent to his remortgage in 2024 was £50, but the Respondent says that the fee paid was £52.50, which is the figure adopted by the Tribunal for the purposes of this determination.
14. Both parties consented to a determination on papers without a hearing and without an inspection of the Property.
15. At an initial meeting on 30 April 2026 at which a determination was to be made, the Tribunal noted that the Applicant, in a short supplementary statement dated 16 March 2026 which was included in the hearing bundle, had stated *“As I share owned 75% and sold 75%, I did not receive any direct payment from the buyer for transferring the lease to them”*.
16. The Respondent relies on clause 3.21.5 of the lease (cited at paragraph 8 above) to claim the sum of £212 as an administration charge relating to the assignment of the Property.
17. As the Tribunal had not been provided with any information regarding the terms of the assignment in respect of which the administration charge was levied and had not been able to calculate “1.5% of the consideration receivable by the Leaseholder”, the matter was adjourned and directions were issued as follows: *“On or before 15 May 2026 the Respondent shall file with the Tribunal office and serve on the Applicant a*

short response to the Applicant's statement quoted at paragraph 2 above [ie, the statement quoted at paragraph 15 of these reasons] explaining its claim to an administration fee of £212 under clause 3.21.5 of the lease."

18. The Respondent served a short response as directed. The Applicant also filed additional papers with the Tribunal after 30 April 2026, but these have not been taken into consideration by the Tribunal in reaching its determination, as the Tribunal had not directed the Applicant to file further information and he had had every opportunity to supply all relevant documents prior to 30 April 2026.
19. The Tribunal reconvened on 20 May to make a final determination on the basis of the papers supplied. Following an application by the Applicant for leave to appeal, the Tribunal reviewed its decision and issued this corrected determination on 28 May 2026.

The Applicant's case

20. The Applicant argues that the fees he was required to pay in order to obtain the Respondent's consent to his re-mortgage (with the same lender) and his sale of the Property were not properly chargeable under the terms of the lease. Referring to paragraph 5 of Appendix 4, he says that any fee payable for obtaining the Respondent's consent to a remortgage should be paid by the mortgagee whose interests were being protected, and not by himself as mortgagor.
21. He further states that, in relation to subclause 3.21.5, he did not receive any monies on assignment of the lease, and therefore should not have been required to pay the sum of £212 or to incur any fee when he sold the Property.
22. The Applicant further claims (a) that the original demand for £212 was not accompanied by a Summary and (b) that when a further copy of the demand was sent to him on 13 March 2026 in order to correct this omission, the wording in the Summary was incorrect in that it contained outdated and superseded wording. Consequently, he argues, the demand sent on 13 March 2026 was also defective and did not render him liable to pay the Respondent's administrative fee.

The Respondent's case

23. The Respondent claims that the sums charged are payable

- (a) on assignment of the Property pursuant to subclause 3.21.4 of the lease quoted at paragraph 7 above (£212) and
- (b) on approving a re-mortgage pursuant to subclause 3.4 quoted at paragraph 4 above (£52.50).

24. The Respondent relies on a document entitled Payments and Charges which is published annually on its website. This includes a section entitled “Potential Costs for Leasehold and Shared Ownership”, which lists “Description of Fee or Charge” in the first column and “Fixed charge [with the applicable year]” in the second column.

25. With regard to the demand for payment, the Respondent admits that the original demand was not accompanied by a Summary but relies on a second demand for each of the two administrative fees, which were sent on 13 March 2026 and each of which was accompanied by a Summary.

History of the charges

26. The Applicant sought the Respondent’s approval to a re-mortgage in the years 2023 – 2024 and 2024 - 2025. The “Fees and Charges Proposals” for 2023 and 2024 which are published online include

	<u>2023 – 2024</u>	<u>2024 - 2025</u>
Remortgage Applications	£75	£79.50
Landlord’s approval for new mortgage	£50	£53
Landlords Notice for Mortgage Application	£50	£53

When the Applicant applied for a re-mortgage in 2023, the Respondent charged him £75 for approving the transaction. In 2025 the Respondent confirmed that this was a mistake, and claimed that the correct fee should have been £52.50. The Applicant was therefore given a reduction of £22.50 representing the overpayment when a further mortgage approval fee of £52.50 was charged in 2024.

Although the Respondent states that it charged £52.50 for approving the re-mortgage in 2024, the Tribunal has not seen a published fee or charge of £52.50 for approving a new mortgage.

27. The Applicant sold the Property on 31 October 2025. According to the Respondent's web page, the fixed amount charged on a sale of a property in the year 2025 – 2026 was

“Processing re-sales – shared ownership £212”

Are these variable administration fees?

28. The lease does not specify the amount of the administrative charges and does not contain any formula by which they can be calculated. Although the charges are said, on the Respondent's website, to be “fixed”, it appears that they are reviewed annually, and that the Respondent makes a decision as to whether they are to be increased. They are fixed in the sense that they are determined in advance, standardised and identifiable each year but they are not fixed by the terms of the lease..

29. On this basis any administrative charges imposed by the Respondent which are “payable by a tenant of a dwelling as part of or in addition to the rent” are variable administration fees as defined in Schedule 11, and are therefore subject to the Tribunal's determination as to whether they are reasonable and payable.

The issues for the Tribunal

30. The Tribunal was therefore required to determine

- (a) whether either or both of the administrative fees were “*an amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable, directly or indirectly*” (Schedule 11, paragraph 1.1), ie whether they fell within the definition of “administration charge” the amount and payability of which the Tribunal has jurisdiction to determine;
- (b) if so, whether they were reasonable in amount; and
- (c) if so, whether they were payable by the Applicant where (a) the Applicant says that he received no consideration for assignment of the lease, (b) the first demand was not accompanied by a Summary and (c) the Summary accompanying the second demand contained out-dated wording.

£212 on assignment of the Property

31. This fee is an administration charge as defined in Schedule 11. Clause 3.21.4 of the lease requires the leaseholder to obtain the landlord's approval to an assignment and clause 3.4 requires the leaseholder to pay a charge for such an approval.
32. The Tribunal finds that a fee of £212 was reasonable in amount to reflect administrative work required of the Respondent in relation to a sale of the Property.
33. The Property was valued in or about 2025 at £140,000 according to the Respondent's records. The Applicant was entitled to 75% of the proceeds of sale, ie £105,000 if the Property was sold at this valuation. The Applicant says that he received nothing on transfer of the lease, and that may be so, but clause 3.21.4. of the lease refers to assignment of "the whole of the Premises", and clearly the Applicant was entitled to receive a substantial sum for his share of the freehold. Clause 3.21.5 provides that the administrative costs and expenses to be paid on assignment must not exceed 1.5% of "the consideration receivable by the Leaseholder for the assignment". The Tribunal finds that £212 does not exceed the consideration receivable by the Applicant as a result of the transaction. Even if some, or all, of the consideration was payable to his solicitors and/or his mortgagee, such payments were made on his behalf and were "receivable" by him.
34. The Respondent admitted that its original demand for payment of £212 was not accompanied by a Summary as required by paragraph 4 of Schedule 11. The Applicant claimed that this rendered the demand ineffective and the administration charge non-payable. He cited the First-tier Tribunal decision in *Kennett v Concept 34 Ltd (LON/00AX/LAC 2021/0002 P)* in support of this proposition. An administration charge becomes payable when the demand for it is accompanied by a Summary, and if the Respondent had served the further demand correctly in March 2026 the Applicant would have become liable to pay the sum of £212 with effect from that date. The facts in *Kennett v Concept 34 Ltd* were different, in that there was no suggestion in that case that a correct administration charge demand accompanied by a Summary had been served by the landlord at any time.
35. The Summary served by the Respondent on 13 March 2026 was to a substantial extent in the form prescribed by the Administration Charges (Summary of Rights and Obligations)(England) Regulations 2007. These (as updated by regulations in 2013)

substituted the First-tier Tribunal in place of the Leasehold Valuation Tribunal which was referenced in the original statutory version of the Summary. However the Summary served by the Respondent, at paragraphs 4 and 5 still referred to the Leasehold Valuation Tribunal. In other words, the Respondent served on the Applicant a partially but not fully updated version of the Summary.

36. Paragraph 4 of Schedule 11 does not allow for a Summary to approximate the form set out in the 2007 regulations. The statute requires the Summary to be as prescribed and this includes using updated wording. The Summary served by the Respondent failed to include the prescribed wording, use of which is mandatory. The Summary was therefore defective and the demand for the administration charge was ineffective. No effective demand having been served, the Applicant is not liable for payment of this sum.

£52.50 on approval of the re-mortgage

37. The Tribunal finds that this was not an administration charge as defined in Schedule 11. There is no provision in the lease itself which requires a leaseholder to obtain the landlord's consent to a re-mortgage. The only reference to a consent to a re-mortgage is in paragraph 5 of Appendix 4, which is not part of the lease and which is expressly not to be taken into account in interpreting the lease terms. The Tribunal concludes that this payment was not "*an amount payable by a tenant of a dwelling as part of or in addition to the rent*".
38. The Tribunal makes no finding as to whether the fee of £52.50 was payable by the Applicant under the terms of an express or implied contract other than the lease itself. The fee is not one over which the Tribunal has any jurisdiction.
39. For completeness, the Tribunal notes that the second demand for this fee, which was served on the Applicant on 13 March 2026 along with the Summary which had been omitted from the original demand, was also defective for the reasons given at paragraph 36 above.

Applications relating to costs

40. The Applicant has added to his original application a request for orders under section 20C of the Landlord and Tenant Act 1985, and under paragraph 5A of Schedule 11.
41. Section 20C enables the Tribunal to prevent a landlord from adding his litigation costs to the service charges payable by any leaseholder nominated in the application. Paragraph 5A allows a leaseholder to apply for an order reducing or extinguishing his liability to pay a particular administration charge in respect of litigation costs.
42. As the Applicant is no longer a tenant of the Respondent, and will therefore not receive any further service charge or administration charge demands, orders under section 20C and Paragraph 5A are no longer relevant, and no such orders are made.
43. The Tribunal has the power, under paragraph 13(2) of the Tribunal Procedure (First-tier Tribunal)(Property Chamber) Rules 2013 to order a party to reimburse to another party all or part of any fee paid on an application to the Tribunal. The Applicant seeks such an order, having paid a fee of £100 with his application. In view of the Tribunal's determination as to the Respondent's administrative charges, the Respondent is ordered to reimburse the Applicant in the sum of £100.