



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

Case reference	:	LON/00AH/LSC/2025/0816 & LON/00AH/LSC/2025/0818
Property	:	Flat 3 192 Whitestone Way Croydon Surrey CR0 4FG
Applicant	:	NSQ Residents Management Limited
Representative	:	Daniel Jones, Counsel Highgate Chambers
Respondent	:	Lydia Inema (1) & Gloria Ingabire (2)
Representative	:	Fiona Darroch, Counsel Normanton Chambers
Type of application	:	Determination of payability and reasonableness of service charges
Tribunal members	:	I B Holdsworth FRICS Valuer Chairman N F Powell MRICS Tribunal Member
Date and venue of Hearing	:	Friday 22 May 2026 10 Alfred Place London WC1E 7LR
Date of Decision	:	15 June 2026

DECISION

Decisions of the Tribunal

- a. The Tribunal determines that the sum of £2,640.80 was properly demanded as service charges in the years 2019-2024 by the Applicant. These monies are now recoverable from the Respondents. A sum of £11,146.03 was sought in two consolidated County Court Orders, Claim Numbers K95YX739 dated 16 July 2023 and K66YX995 dated 11 September 2023.
- b. The Tribunal direct that the lease dated 30 July 2018 between *Aviva Investors GR SPV16 Limited and Red Properties London and NSQ Residents Management Company Limited* be rectified and executed as determined in this Decision within **six weeks** of the date of the Decision.
- c. Since the Tribunal has no jurisdiction over County Court costs and fees, charges amounting to £4,020 are not decided.
- d. This application should be returned to the County Court at Central London under consolidated claim Nos K95YX739/ K66YX995 for the determination of all outstanding matters.

1. Application

- 1.1 The Applicant NSQ Residents Management Limited ('**NSQ**') had sought a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ('**the 1985 Act**') as to the payability and reasonableness of service charges to be paid by the Respondents Lydia Inema (1) ('**Ms Inema**') and Gloria Ingabire (2) ('**Ms Ingabire**') for the service charge years 2019-2024 in respect of Flat 3 ('**the Flat**'), 192 Whitestone Way, Croydon, Surrey CR0 4FG ('**the Building**').
- 1.2 Proceedings were initially issued in the Civil National Business Court and Northampton County Court Business Court in September and November 2023. The case was subsequently transferred to the County Court at Croydon under claim Nos K95YX739 and K66YX995 for allocation on 5 July 2024. On 19 May 2025, District Judge Rowland, sitting in the County Court at Croydon, directed that the matter be transferred to the First Tier Tribunal for determination.
- 1.3 Directions were prepared by Judge Martyński on 17 September, subsequently amended on 9 October 2025, in which he identified that the matters in dispute were in respect of two claims for service and administration charges in total amounting to £11,146.03, and a further claim for costs/administration charges of £840.
- 1.4 Judge Martyński confirmed the two claims had been consolidated by the County Court and that the Tribunal would deal with both claims at the hearing. He also confirmed the Tribunal would only deal with the issue of reasonableness and payability of service and administration charges and, once Tribunal had made its decision, the case would be referred to the County Court for it to deal with other matters.

- 1.5 The application proceeded to a hearing on 5 February 2026 at which Judge Moate and Mr S Johnson MRICS heard evidence from the Applicant that the hearing be adjourned, due to the absence of a witness from the managing agent. The Tribunal decided that the absence of the witness would make the trial unfair. It recognised that this decision would cause inconvenience to the Respondents, but this was outweighed by the benefits to justice of an adjournment.
- 1.6 Following the adjournment, further Directions were issued addressing the lack of an agreed lease and the items in dispute. It was concluded the years in dispute were 2019-2024.
- 1.7 The Tribunal further identified, after consultation with the parties, that the payability and reasonableness of the following costs needed to be determined, namely:
- (i) Heating of the communal areas.
 - (ii) Underground parking facilities.
 - (iii) Repairs to balconies.
 - (iv) Insurance.
 - (v) Management fees.
 - (vi) Administration fees.
- 1.8 The Respondents also requested that the Tribunal address the lack of a service charge budget and failure to provide adequate information. They also asked for any other matters set out as items in dispute in the witness statements of both Respondents dated 23 April 2025 to be reviewed.

2. The hearing

- 2.1 A hearing was held by video link commencing at 10:00 am on 22 May 2026. It was deemed appropriate for the in-person face to face hearing scheduled for this date to be transferred to a video link, to ensure it would proceed despite the threat of a strike by TfL employees.
- 2.2 The Applicant was represented by Daniel Jones, Counsel of Highgate Chambers.
- 2.3 Stefan Hartman a property manager with Haus Block Management Limited was (“**Haus**”) in attendance.
- 2.4 The Respondents were represented by Fiona Darroch, Counsel of Normanton Chambers.
- 2.5 A bundle of 832 pages was provided to the Tribunal. They were also given by Counsel for the Applicant a skeleton argument with supporting tables.

3. Agreed matters

- 3.1 At the outset of the hearing Counsel for the Applicant referred Tribunal to p.71 of the bundle, specifically a table entitled '*Statement of sums instructed*'. This table listed the items claimed from the Respondents as part of the overall claim. Counsel advised the sum of £1,365.87 for the service charge period *1 February 2019 to 31 January 2020* would not be pursued as an arrear.
- 3.2 The parties then discussed the issue of the property lease. The dispute over the correct lease was discussed both during the initial Directions hearing, presided over by Judge Martyński, and the subsequent application to adjourn/Directions issued by Judge Moate of 5 February 2026.
- 3.3 The latter Directions stated that the Flat be identified in the lease in the same way as shown under the Registered Title (SGL796846), in which the Respondents were named as 'proprietors of the Title absolute'.
- 3.4 The parties agreed that the lease, at p.645 of the bundle, would be rectified as follows:
- (i) The address, cited as '92 Whitestone Way' would be revised to show '**192 Whitestone Way, Croydon CRO 4FG**'.
 - (ii) The Flat was to be shown as '**No 3**' and not No 5, 192 Whitestone Way.
 - (iii) The names of the leaseholders **Lydia Inema (1) & Gloria Ingabire (2)** to entered as parties to the lease.
 - (iv) The Tribunal direct the rectification and execution of the revised lease must take place within six-weeks of this Decision Notice. This timescale was agreed by the parties.
- 3.5 Further into the hearing, the parties resolved to agree several other items in dispute, these being:
- (i) A rebate of £431.20 from the charges to reflect the costs of heating the communal parts.
 - (ii) Reimbursement of £256 to reflect reduced insurance costs.
 - (iii) The dispute in respect of the underground carpark and repair of balconies was withdrawn by the Respondents.
 - (iv) The issue of budget preparation was satisfied by the changes introduced through the recent appointment of a managing agent, Haus.

3.6 It was agreed by the parties the outstanding matters for determination by the Tribunal were reduced to the payability and reasonableness of :

- (i) Management charges.
- (ii) Administration costs and
- (iii) An alleged accounting error by the Applicant.

3.7 All other matters being agreed.

4. The law

4.1 The statutory provisions referred to in this Decision may be viewed at <https://www.legislation.gov.uk/ukpga/1985/70/section/27A>

5. Applicant's submissions

5.1 Counsel for the Applicant submitted with his Skeleton argument two tables that provide details of the alleged service charge arrears. The content of the tables is sourced from the County Court claims which are at p71 of the bundle. These tables are reproduced below as 'Table 1' and 'Table 2'.

Claim K66YX995									
Year	SC	Reserve	Admin	Costs	Total	Description	Bundle/section of lease	Demand	Accounts
1-Aug-22	£1,365.87					1 February 2019 - 31 January 2020	p662 Seventh Sch para 8	p425	p435
13-Jan-20		£157.95				1 February 2020 - 31 January 2021	p661 Sixth Sch para E 13	p425	p448
13-Jan-20	£85.19					1 February 2020 - 31 January 2021	p662 Seventh Sch para 8	p429	p448
20-Jan-21		£181.64				1 February 2021 - 31 January 2022	p661 Sixth Sch para E 13	p427	p461
20-Jan-21	£1,561.22					1 February 2021 - 31 January 2022	p662 Seventh Sch para 8	p427	p461
11-Jan-22		191.38				1 February 2022 - 31 January 2023	p661 Sixth Sch para E 13	p429	p473
11-Feb-22	£1,779.96					1 February 2022 - 31 January 2023	p662 Seventh Sch para 8	p429	p473
23-Nov-21			£102.00			Management fee		p316, p681	
29-Mar-23			£30.00			Transfer Deed			
29-Mar-23				£2,100.00		Contractual costs			
29-Mar-23			£60.00			HML Claim fee		p685	
29-Mar-23				£455.00		Claim	p653 Para 3.3.2 p43		
29-Mar-23				£100.00		Solicitor fee for issuing claim	Eighth Sch para 4.		
8-Feb-22			£300.00			Referral fee		p316	
9-Feb-22			£240.00			PDC Instruction Fee		p316, p683	
9-Feb-22			£10.00			Additional costs			
9-Feb-22			£24.00			Land Registry Fee			
28-Dec-22	-£800.00					Payment (Credit)			
Totals	£3,992.24	£530.97	£766.00	£2,655.00	£7,944.21				

Table 1

Claim K95YX739									
Year	SC	Reserve	Admin	Costs	Total	Description	Bundle/section of lease	Demand	
18-Apr-23			£102.00			Management Fee		p685, p688	
23-Aug-23			£30.00			Transfer Fee			
23-Aug-23				£1,080.00		Contractual Costs	p653 Para 3.3.2 p43		
23-Aug-23			£60.00			HML Claim Fee	Eighth Sch para 4.	p693	
23-Aug-23				£205.00		Claim			
23-Aug-23				£80.00		Solicitor's Fee for issuing claim			
28-Apr-23			£300.00			Referral fee		p685	
3-May-23			£288.00			PDC Instruction Fee		p685, p690	
3-May-23			£24.00			Land Registry Fee			
1-Feb-23	£1,872.82					1/31/2024 service charge	p662 Seventh Sch para 8	p688, p316	
Totals	£1,872.82	£0.00	£804.00	£1,365.00	£4,041.82				

Table 2

- 5.2 Mr Jones explained that the amount claimed is allocated to either “service charge, reserve payment, costs or administration costs”. In the absence of any explanation or evidence to the contrary all “costs” are allocated to County Court matters. The payability is justified by matching the charge to the relevant lease clause and a demand or account statement. This was a most helpful submission by the Applicant’s Counsel, and the Tribunal are grateful for this assistance.
- 5.3 He then focussed on the items in dispute, namely the management charges and administration costs. Counsel said £204 was charged for management in the disputed period and the Respondents incurred administration charges of £1,570. Counsel admitted it was not possible to link all these charges to valid demands, but where this could be done, the costs were cross referenced to the relevant page within the bundle.
- 5.4 The Tribunal reviewed the documents referred to in Tables 1 and 2 and found the information difficult to comprehend. The bundle did not present service charges for the Flat only for blocks of residential accommodation referred to as the “New South Quarter”. The Tribunal were unable to deduce from the submitted materials a better understanding of the charges. Counsel was unable to provide any further service charge detail than that evidenced in the bundle.
- 5.5 The Tribunal asked Mr Jones whether a service contract for the managing agent was included in the bundle. He confirmed this was not available. He said the current managing agent Haus, had issued a service contract.

6. Respondents' submissions

- 6.1 Counsel for the Respondents said the Applicant had provided useful information on the disputed service charges during the hearing. This had enabled her clients to identify the basis some charges for the first time and agree appropriate rebates. She referred the Tribunal to the “Agreed Matters” as evidence.
- 6.2 Ms Darroch said the primary reason for the application was failure by the Applicant to provide adequate service charge information for her clients to disseminate. This dispute had arisen because of her clients' inability to understand the charges. She said her clients paid a sum of £800 in each of the years in dispute, as a contribution to the service charges and ground rent. She emphasised that they do not dispute the need to pay service charges, rather sought to understand the charges and ascertain their fairness.
- 6.3 She confirmed on behalf of her clients that they do not dispute payability of the charges under the terms of their lease. They are eager for the lease that contains those terms to be rectified.
- 6.4 Counsel accepted that due to a lack of information from the Applicants it had proven difficult for her Respondent clients to establish a prima

facie case as to the unreasonableness of the disputed charges. She advised that the parties had made progress in resolution of several items in dispute but remained unable to reach agreement over the costs for management charges, the concierge service and administration fees.

- 6.5 The Tribunal asked Ms Darroch for alternative quotes for management and administration services and concierge charges. She said none were available.
- 6.6 She emphasised that poor management of the Building exacerbated by twice changing managing agents during the period in dispute had led to inadequate and incomplete information being provided to her clients. This had undermined their confidence in the accuracy of service charge Demands.

7. Tribunal's determinations

- 7.1 The Tribunal found the Scott Schedule prepared by the parties unhelpful in resolution of this matter. The parties had failed to isolate the principal elements of the dispute in their submissions. The service charge information provided in the Bundle was not comprehensive, detailed or focussed on the matters in dispute. This made it difficult for the Respondent to extract and present examples of unreasonable charges or make suggestions for alternative charges for services. This paucity and low-level accuracy of information made the Tribunal task of review and assessment of the charges challenging.
- 7.2 The Tribunal first addressed the management fee of £204. The paucity and quality of service charge information about the Flat and Building fell below that typically expected of a reasonable agent. The complaints about the maintenance of the building made by the Respondents were upheld. The Tribunal based upon their professional and Tribunal experience of similar services decided that the charge should be disallowed.
- 7.3 The second charge in dispute is the sum of £1,570 as administration charges. There is no further detail in the bundle about the charges other than they relate to administration. The Applicants accepted during questioning that for some of these charges there is invoice in the bundle or any evidence of the charge.
- 7.4 The Tribunal concluded a lack of continuity in the appointed managing agent may have led to unnecessary administration charges. They also recognised that the charges are above average for a dwelling of this type and the Applicants failed to offer an evidential basis for them. It was for these reasons the administration charges of £1,570 were deemed unreasonable and the sum disallowed.
- 7.5 The Respondents failed to convince the Tribunal that the concierge charges were unreasonable. These charges were properly Demanded, with no compelling evidence presented to justify the assertion of unreasonableness. These charges were deemed payable.

7.6 The Respondents had queried the charge of £1,779.96 posted on 11 February 2022. The Counsel for the Applicant did take the Tribunal to a Statement of Account (p431) that justified the expenditure and Demand for £1,600 but failed to explain £179.96 and accordingly this amount is disallowed.

7.7 The findings of the Tribunal are summarised in Table 3 below:

Summary of Tribunal findings			
	£		
Claim K95YX739	£	7,944.21	
Claim K66YX995	£	4,041.82	
County Court charges	£	4,020.00	
Total net of County Court Charges	£	7,966.03	
less item 1 1/02/19-31/01/20 not pursued	£	1,365.87	
			£ 6,600.16
less Agreed matters rebates			
Communal heating	£	431.20	
Insurance	£	255.71	£ 686.91
Less sums directed by Tribunal			
Management	£	204.00	
Administration	£	1,570.00	
Accounting error	£	179.96	£ 1,953.96
		£ 2,640.87	£ 2,640.87

Table 3

7.8 The Tribunal determines that a sum of £2,640.87 is both reasonable and payable by the Respondents.

8. Costs

8.1 The Tribunal understand the Applicant had sought £4,020 by way of costs for dealing with the County Court application. No detail about these costs was given at the hearing and in the absence of evidence to the contrary the Tribunal has assumed all these costs were charges incurred in the County Court process and not the First Tier Tribunal proceedings. The Tribunal does not have jurisdiction over charges incurred in any other court action.

8.2 Accordingly, this matter should now be returned to the County Court at Croydon under claim Nos K95YX739 and K66YX995 for such costs and any other outstanding matters to be determined.

Name: Ian B Holdsworth
Valuer Chairman

Date: 15 June 2026

RIGHTS OF APPEAL

- 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 not 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.

APPENDIX OF RELEVANT LEGISLATION

Landlord and Tenant Act 1985 (as amended)

Section 18

- (1) In the following provisions of this Act 'service charge' means an amount payable by a tenant of a dwelling as part of or in addition to the rent: -
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
 - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose: -
 - (a) 'costs' includes overheads; and
 - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period: -
 - (a) only to the extent that they are reasonably incurred; and
 - (b) where they are incurred on the provisions of services or the carrying out of works, only if the services or works are of a reasonable standard.

And the amount payable shall be limited accordingly.

- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

- (1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to: -
 - (a) the person by whom it is payable;
 - (b) the person to whom it is payable;

- (c) the amount which is payable;
 - (d) the date at or by which it is payable; and
 - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to: -
- (a) the person by whom it would be payable;
 - (b) the person to whom it would be payable;
 - (c) the amount which would be payable;
 - (d) the date at or by which it would be payable; and
 - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which: -
- (a) has been agreed or admitted by the tenant;
 - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party;
 - (c) has been the subject of determination by a court; or
 - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

Section 20

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

- (2) In this section 'relevant contribution', in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.
- (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long-term agreement: -
 - (a) if relevant costs incurred under the agreement exceed an appropriate amount; or
 - (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount: -
 - (a) an amount prescribed by, or determined in accordance with, the regulations; and
 - (b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.]

Section 20B

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

Section 20C

- (1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made: -
 - (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
 - (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
 - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
 - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
 - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

Section 21B

- (1) A demand for the payment of a service charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to service charges.
- (2) The Secretary of State may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.
- (3) A tenant may withhold payment of a service charge which has been demanded from him if subsection (1) is not complied with in relation to the demand.
- (4) Where a tenant withholds a service charge under this section, any provisions of the lease relating to non-payment or late payment of service charges do not have effect in relation to the period for which he so withholds it.

- (5) Regulations under subsection (2) may make different provision for different purposes.
- (6) Regulations under subsection (2) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.