



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

**Case reference** : HAV/29UB/LSC/2025/0746

**Property** : Flat 37, Bluebell House, 29-51 Campion Close,  
Ashford, Kent, TN25 4EF

**Applicant** : Mr Samuel Njogu

**Representative** : None

**Respondent** : Campion Close Management Limited

**Representative** : Mr Brendon Driscoll  
Smith Woolley

**Type of Application** : Determination of liability to pay and  
reasonableness of service charges under  
section 27A of the Landlord and Tenant Act  
1985

**Tribunal Members** : Mr M Williams FRICS  
Mr J G G Wilson MRICS FCI Arb  
Judge D Gethin

**Venue** : Ashford Tribunal Centre

**Date of Hearing** : 29 April 2026

**Date of Decisions** : 17 June 2026

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**DECISION**

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## Summary of Decisions

- (1) **The Tribunal determined the sums that the Applicant is liable to pay for the Buildings' Insurance for the respective years are as follows:**

**24 June 2024 to 23 June 2025  
£333.33**

**24 June 2025 to 23 June 2026  
£333.33**

- (2) **The Tribunal determines that the Respondent shall pay the Applicant £341 within 28 days of this Decision, in respect of the reimbursement of the Tribunal's fees incurred by the Applicant.**
- (3) **The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the Respondent's costs arising from this application, if any, may be passed to the Applicant through any service charge.**
- (4) **The Tribunal makes an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 so that none of the Respondent's costs arising from this application, if any, can be sought from the Applicant.**

## Introduction

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("LTA 1985") and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("CLRA 2002") as to the amount of service charges and (where applicable) administration charges payable by the Applicant in respect of the service charge years 2024-2025 and 2025-2026.
2. The Applicant also seeks an order for the limitation of the Respondent's costs in the proceedings under section 20C of the Landlord and Tenant Act 1985.
3. Further to this the Applicant also seeks an order for the limitation of the Respondent's costs in the proceedings under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.
4. The Tribunal had the benefit of a 200-page (albeit index numbered 1 - 155) PDF Hearing Bundle. PDF page references to the hearing bundle are [XX], whilst the index page references are denoted I[XX].

## The Background

5. The subject property is known as Flat 37, Bluebell House, 29 – 51 Champion Close, Ashford, Kent TN25 4EF ("the **Property**"). It is a flat situated within a four-storey block of 12 flats built around 2015.

6. Neither party requested an inspection and the Tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.
7. Mr Njogu holds a long lease of Flat 37, Campion Close. It is a tripartite lease, in which the original parties were Pentland Homes Limited and Mr Samuel Njogu, the Applicant, and Campion Close Management Limited, the Respondent.
8. The Tribunal notes the service charge year runs from 24 June in any year to 23 June in the following year.
9. Tulsense Ltd acquired the freehold of the Property on or around 21 December 2022.
10. Historically the Respondent sourced the Buildings' Insurance for the block.
11. The Applicant states in his Application that the insurance cost for 2023/24 was £2,000. Albeit, as set out below in paragraph **39**, this was a misunderstanding which the Applicant accepted in the hearing.
12. On or around 22 December 2022 Tulsense Ltd, as freeholder, wrote to the Respondent, at their managing agent Smith Woolley, stating that they should either amend their existing policy to make Tulsense and the Respondent the named parties on the policy or to use their broker, Centor Insurance and Risk Management, to place cover with Covea, their approved insurer.
13. Thereon in it was Tulsense's broker who placed the Buildings' Insurance cover for the periods 2024/25 and 2025/26.
14. Following this, the insurance premiums were indicated in the service charge budget at £5,500 for 2024/25 and £7,000 for 2025/26. Albeit these were budgeted figures and the actual premiums varied from this.
15. The Applicant challenged the sums and the level of cover with Smith Woolley and, unsatisfied with the response, the Applicant brought this Application to challenge the Buildings' Insurance premium for the service charge years 2024/25 and 2025/26.
16. The Application was brought initially against Tulsense Ltd as the freeholder. For reasons set out below in paragraphs **25 - 28**, the Application should have been brought against Campion Close Management Limited.

### **The Lease**

17. The Lease of Flat 37 [10-47] I[6a-6am] is a tripartite lease, as set out above. It is dated 28 October 2015 and grants a term of 125 years, from 1 June 2014. A rent is reserved at £250 per annum.
18. Cause 7-2.1 of Schedule 7: Insurance [41] I[6af] sets out the following:

*“The Management Company covenants with the Tenant to insure the Building in the name of the Landlord unless the Insurance is vitiated by any act of the Tenant or by anyone at the Building expressly or by implication with his authority and under his control.”*

19. The Lessee at, paragraph 4-19 of Schedule 4 of the lease [31] I[6v], covenants to pay the Service Charge which comprises The Building Fund Area Due Proportion and The Estate Fund Due Proportion (as defined at clause 1.1.25 [16] I[6g] and clauses 1.1.3 and 1.1.9 [14] I[6e]).
20. The Building Fund Due Proportion means a one twelfth proportion of The Building Fund Expenses (see clauses 1.1.3 and 1.1.5 [14] I[6e]).
21. The Estate Fund Due Proportion means a reasonable proportion of The Estate Fund Maintenance Expenses which means the monies expended by the Respondent in providing services specified in Schedule 6 paragraph 6-3 (see clauses 1.1.9 and 1.1.10 [14] I[6e]).
22. Those Services include at Schedule 6 paragraph 6.3.16 *“performing the Landlord’s and Management Company’s other obligations in this Lease...”* which includes the Management Company’s covenant *“with the Tenant to insure the Building in the name of the Landlord...”* under Schedule 7 paragraph 7-2.1.
23. The Management Company’s Expenses are also defined to include the insurance for the building pursuant to clause 1.1.17.2 [15-16] I[6f-6g].
24. The parties agreed that the service charges demanded in relation to the insurance cost of the building were payable by the Applicant under the terms of the Lease.

## **The Law**

### *Service charge s18 LTA 1985*

25. LTA 1985 defines service charge in s18.

*18 Meaning of “service charge” and “relevant costs”*

*(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.”*

### *Limitation of service charges: reasonableness s19*

26. S19 of the LTA provides:

*(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 provision 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.*

27. In *Waalder v Hounslow LBC* [2017] EWCA Civ 45, the Court of Appeal said that service charge costs must be judged by asking whether they were reasonable when looked at objectively. This means the tribunal should not simply replace the landlord’s decision with its own. If the landlord chose a sensible and reasonable way of doing the work, then the cost can still be considered reasonable even if there was another cheaper option that would also have been acceptable.

### **Procedure and The Hearing**

28. The Application was made on 5<sup>th</sup> August 2025.

29. The Application brought relates solely to Flat 37, Bluebell House, 29-51 Champion Close, Ashford, Kent, TN25 4EF.

30. In Directions dated 11 December 2025 the Tribunal stated, on examining the

lease the Tribunal considers that the correct respondent may be Campion Close Management Limited, and it therefore added them as 2<sup>nd</sup> respondent.

31. The Directions also listed the matter for a Case Management and Dispute Resolution Hearing (CMDR) on 16 January 2026 at 2:00pm.
32. At the CMDR, upon hearing from Counsel for Tulsense that Tulsense had no ability under the lease to demand a service charge, the Tribunal removed them as a respondent.
33. By letter dated 6 March 2026 the Tribunal notified the parties that the hearing was scheduled to take place on 29 April 2026 at Ashford Tribunal Hearing Centre.
34. A hearing bundle of 200 pages was filed with the Tribunal, which included the Applicant's Statement of Case.
35. Mr Njogu, the Applicant, represented himself.
36. The Respondent was represented by Mr Brendon Driscoll of Smith Woolley.
37. The Tribunal was grateful to both Mr Njogu and Mr Driscoll for their clear and succinct submissions and their conduct throughout the hearing.

### **The Issues**

38. At the hearing the Applicant and Respondent confirmed the only matter in issue was:

- (i) The reasonableness of the Buildings' Insurance for service charge years 2024/25 and 2025/26.

39. Section 19 of the 1985 Act provides that 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 provision of services or the carrying out of works, only if the services or works are of a reasonable standard. Having heard evidence and submissions from the parties and considered all the documents provided, the Tribunal has made determinations set out below.

### **Insurance 2024/25 & 2025/26**

40. As mentioned above, the Applicant in his Application stated that the Buildings' Insurance premiums being challenged were for the following sums:

2024/25 - £5,500.  
2025/26 - £7,000.

## **The Tribunal's decisions**

41. The Tribunal determines that the amounts payable in respect of the Buildings' Insurance charged are as follows:

2024/25 - £4,000.

2025/26 - £4,000.

## **Reasons for the Tribunal's decisions**

42. The Applicant initially submitted that the insurance premiums were as follows:

2023/24 - £2,000.

2024/25 - £5,500.

2025/26 - £7,000.

43. However, in his evidence Mr Driscoll explained that this was not the case and that these were budget figures and that the actual cost of the premiums differed. He stated the premium costs to be:

01/01/2023 – 31/12/2023 - £3,386.82 [59] I[17a].

21/12/2023 – 21/12/2024 - £5,484.49 [60] I[18]

21/12/2024 – 20/12/2025 - £6,684.57 [61] I[19].

2025 – 2026 - £5,193.95.

44. Mr Driscoll also set out how the insurance is due part way through the service charge year and therefore any given policy period straddles two service charge years. As a result, they do not know what the new quote will be at the time of producing the service charge budget for the year.

45. Mr Driscoll helpfully explained that where there is a shortfall, the practice has been to recover the shortfall through the demand for the following year, hence the reason the 2025/26 budget for insurance was significantly more than the 2025/26 premium amount, to account for the shortfall from the previous year. All of these submissions and explanations were accepted by the Applicant.

46. We would draw the parties' attention to the fact that under paragraph 6.2-8 of Schedule 6, the Management Company is to provide to the tenants an account of the Service Charge payable for that financial year as soon as reasonably practicable after the end of each financial year. If there is a shortfall, the tenant shall pay it, and if there has been an overpayment, the tenant can elect for it either to be credited against future payments of Service Charge or to transfer the balance to the reserve fund.

47. Mr Driscoll did accept however upon Tulsense taking over the sourcing of the insurance that premiums did start to rise. When the Applicant raised these concerns, Smith Woolley did take them to Tulsense and were told that they use their own broker and test the market. However, the Respondent, and their managing agent, should have been alive to the lease provisions, particularly that it was their obligation to insure the building, not the landlord's and reverted accordingly to the letter of 22 December 2022.

48. The Tribunal welcomed the submission from Mr Driscoll that following the above being highlighted to the parties by the Tribunal at the CMDR that the responsibility for sourcing the insurance is now back in the hands of Smith Woolley, on behalf of the Respondent, and there was an expectation that premiums for future years would likely revert to market norms.
49. Mr Driscoll confirmed that the Respondent paid the insurance premium to the broker direct and not to Tulsense.
50. The Applicant helpfully provided five quotations (dated around the end of July / beginning of August 2025) for suitable Buildings' Insurance cover for the block from reputable insurers [76 - 186] I[34 - 143], these quotes were:
- £3,920.45 [81] I[39]  
£4,200.00 [90] I[48]  
£3,919.61 [137] I[94]  
£4,749.83 [156] I[113]  
£4,724.83 [182] I[139]
51. The Tribunal considered that these quotations were persuasive in demonstrating that there was a prima facie case that the insurance premiums charged were unreasonable.
52. The Respondent, not being the company that had sourced the insurance, but ultimately being the one that should have, was unable to provide details of the process undertaken, save that it had been completed through Tulsense's broker. The Respondent was unable to demonstrate that, when viewed objectively, the process for sourcing insurance was a logical and reasonable one and in line with property management and market norms.
53. The Tribunal therefore found that, following *Waalder*, neither the processes nor the outcomes were reasonable.
54. The Tribunal, having considered the evidence at the hearing, the bundle and submissions from the parties determined that the reasonable sums for the insurance would be towards the lower end of the quotations provided.
55. Mindful that the market has been variable in recent years, and that following the Competition and Markets Authority's recent report on the sector premiums have begun to reduce as a result, we applied our knowledge and expertise as a specialist Tribunal to decide what would have been a reasonable premium at the time. We decided that a premium of £4,000.00 per annum for both years under consideration would be reasonable.
56. It follows that the Applicant's contribution towards the Buildings insurance in the relevant years would be £333.33 on the basis that he is required to pay a one twelfth contribution towards the costs of insuring the Building.

## **Application under s.20C, Sch 11 Para 5A and refund of fees**

57. Section 20C of the 1985 Act enables a tenant to apply for an order that all or any of the costs incurred, or to be incurred, in connection with the proceedings before the Tribunal are not to be regarded as relevant costs to be taken into account in determining the amount of service charge payable by the tenant or any other person specified in the application. By virtue of section 20C (3) the Tribunal may then make such order as it considers just and equitable in the circumstances.
  
58. Further, Paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 permits a tenant to apply for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs, including costs in proceedings in the First-tier Tribunal. The Tribunal may make whatever order on the application it considers to be just and equitable.
  
59. The Applicant indicated within their application form that they wished to apply for such orders.
  
60. The Tribunal has determined significant reductions to the service charges levied across the service charge items considered.
  
61. The Applicant has acted wholly reasonably in bringing the Application and in doing so has highlighted failings on the part of the Respondent, and their managing agent, in terms of the administration of the lease obligation, in so far as they relate to the placing of the insurance of the building.
  
62. Therefore, The Tribunal finds in the circumstances that it is just, equitable, and reasonable to determine that the Respondent shall not seek to recover the costs incurred in relation to these proceedings from the Applicant as part of the service charge, or from the applicants by way of any administration charge.
  
63. At the end of the hearing, the Applicant made an application for a refund of the fees that he had paid in respect of the application and hearing. Having heard the submissions from the parties and taking into account the determinations above, the Tribunal orders the Respondent to refund any fees paid by the Applicant within 28 days of the date of this decision.

## **Rights of Appeal**

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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.

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.

If the application is not made within the 28-days' time limit, such application must include a request for an extension of time and the reason for not complying with the 28-days' 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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).