FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	HAV/00HB/LSC/2025/0722
Property	:	Flat 4, 10 Meridian Place, Clifton, Bristol, BS8 1JG
Applicant	:	Oliver Glass
Representative	:	In person
Respondent	:	10 Meridian Place Management Limited
Representatives	:	Maria Lucio and Kevin Pullen
Type of application	:	For the determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985
Tribunal members	:	Judge Taylor (Chair) Mr M Ayres FRICS
Date and Venue of hearing	:	3 June 2026, Bristol Magistrates' Court
Date of decision	:	6 July 2026

DECISION

Decisions of the tribunal

1. The Tribunal refuses the application for an order under section 27A (3) of the 1985 Act.

2. The Tribunal determines pursuant to Rule 13 of the Tribunal Rules that the Respondent shall reimburse to the Applicant the fee he has paid for this hearing, the sum of £227.

3. The Tribunal makes orders under section 20C of the 1985 Act and Paragraph 5A Schedule 11 CLRA in favour of the Applicant, so that none of the landlord's costs of the Tribunal proceedings may be passed to the Applicant through any service charge or administration charge.

The application

4. The Applicant seeks a determination pursuant to s.27A (3) of the Landlord and Tenant Act 1985 ("the 1985 Act") as to whether, if costs were incurred for services or management in respect of "protection costs", a service charge would be payable for the costs by the Applicant.

5. The Applicant also seeks orders pursuant to section 20C of the 1985 Act and paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 ("CLRA"). Finally, the Applicant seeks orders under Rule 13 of the Tribunal Procedure (First- tier Tribunal) Property Chamber) Rules 2013 ("the Rules") for reimbursement of the fees he has paid for this Application and for the Respondent to pay his costs incurred in bringing this Application.

The background

6. The property which is the subject of this application is 10 Meridian Place, Clifton, Bristol BS8 1JG ("the Property"), a grade 2 listed terraced house that has been converted into five flats. The applicant is the leasehold owner of flat 4.

7. The Respondent is the owner of the freehold of the Property. Each of the five leasehold flat owners is a shareholder in and director of the Respondent.

8. None of the parties requested an inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.

9. Pursuant to the Directions given by the Tribunal, the Applicant and the Respondent exchanged statements prior to the hearing. A bundle containing the evidence provided by the parties was

prepared and considered by the Tribunal. The Applicant (on his own account) and Ms Lucio and Mr Pullen for the Respondent attended the hearing and provided further evidence and submissions.

The issues

10. In his Application dated 26 June 2025, the Applicant challenged all the service charges incurred by the Respondent in the service charge year ending 1 April 2024. In addition, he sought the determination under section 27 (3) of the 1985 Act mentioned above. However, the issues for determination by the Tribunal have been substantially reduced as follows.

11. In the Applicant's Reply statement dated 6 February 2026, he confirmed that, following disclosure of documents by the Respondent, six of the items that he had challenged for the year ending 1 April 2024 were no longer challenged. That left challenges to three items: (1) the major challenge in terms of value, in respect of decoration work including scaffolding costs - £7,421.39; (2) Dyno Rod costs of £1,722; and (3) Dyno Rod costs of £218. The challenges to the first two items were based on the Respondent's alleged failure to comply with the statutory consultation requirements in section 20 of the 1985 Act.

12. However, on 22 April 2026 the Applicant applied for permission to withdraw the three challenges set out above. Permission to withdraw was given by the Tribunal on 5 May 2026. Accordingly, by the time of the hearing, the issues for determination were those set out in paragraphs 4 and 5 above.

13. Having heard evidence and submissions from the parties and considered all of the documents provided, the Tribunal has made determinations on the various issues as follows.

Protection costs

14. Section 27A (3) of the 1985 Act provides:

"...(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."

The Applicant's case and evidence

15. The "protection costs" in respect of which the Applicant seeks a determination are said by him to be costs that the Respondent has already or might in the future incur in relation to the Applicant's conduct. At the hearing the Applicant defined such protection costs as the costs of taking legal advice in respect of threats from the Applicant or any other leaseholder against the Respondent company or other director of it, or any other threat action.

16. The Applicant relies on the minutes of the AGM of the Respondent on 23 September 2024. The Applicant was not present. Minute 8 (c) records "*...(c) it was resolved at the meeting that malicious and unfounded acts towards the management company will be dealt with, resulting in likely financial implications for the perpetrator."*

17. On 9 May 2025 an email was sent to all directors of the Respondent, via the company's email account. This stated that the Applicant had sent threatening and coercive emails to other directors of the Respondent and had malicious intent towards the Respondent. The email went on to say that the Applicant's emails would be blocked by individual directors and all emails should be sent instead to the company's email address. It also said that the Respondent would take legal advice on the Applicant's conduct.

18. On 16 May a further email was sent to all directors confirming that the directors had voted by a majority (the Applicant having not responded) that the Respondent *"...can now use funds from the collective Management Account to protect our organisation"*.

19. The Applicant denies any suggestion that he has acted in the ways alleged in the AGM minutes (paragraph 16 above) or otherwise

improperly. He says that his communications with the Respondent and its directors have been appropriate and for the purpose of obtaining information that he is legally entitled to receive, and which has not been provided by the Respondent. He said that the Respondent has referred to advice taken on a number of occasions but has never produced it when asked.

20. The Applicant's case is that the leases of the flats do not give the Respondent the right to raise service charge costs for legal advice of this nature and he seeks a declaration to that effect.

The Respondent's case and evidence

21. The Respondent says that no charges for legal advice have been included in any service charges to the leaseholders and so there is no issue for the Tribunal to determine in respect of incurred costs. The Respondent does not agree that a determination should be made under section 27A (3) of the 1985 Act; it says that consideration of any legal costs that may be incurred in the future (if any are ever sought to be recovered as part of the service charge) should be determined in the light of the facts at that time. The Respondent does believe the Applicant has behaved in the ways recorded in the AGM minutes (paragraph 16 above).

Decision on protection costs

22. Whether, and if so to what extent, legal costs incurred are recoverable by the landlord by way of service charge is a question of construction of the lease. Generally, a clause must be clear and unambiguous before it will be construed as entitling the landlord to recover legal fees as part of the service charge. However, in order for legal fees to be recoverable it is not necessary that there should be specific mention of lawyers, proceedings or legal costs (see *Geyfords Limited v O'Sullivan [2015] UKUT 683)*

23. A copy of the Applicant's lease was in the bundle [page 285]. By clause 3 the Applicant covenanted to observe and perform the covenants in Schedule 3. By clause 3 (15) (b) the Applicant covenanted to pay the Lessor:

… "*a sum equal to the aggregate of twenty per cent share of all costs charges and expenses incurred by the Lessor in carrying out its obligations under Schedule 4…*"

By clause 4 the Respondent (as the Lessor) covenanted to observe and perform the covenants in Schedule 4. Schedule 4 contains the Lessor's covenants, including covenants to repair (paragraph (3)), to pay rates (paragraph (7)), and:

"*…(8) at its discretion to employ a reputable managing agent to manage the Building and reasonably suitable contractors to carry out any of his obligations under this Lease in either case paying the proper fees or charges…"*

24. As there is no incurred cost that has been included in the service charge to date, we do not need to make any finding of fact as to whether the Applicant has acted in the ways alleged in the AGM minutes. We are not determining whether any costs have been reasonably incurred and so we need only record the parties' respective positions on that question as we have done above.

25. The question for us for the purpose of section 27 A (3) is forward looking; if costs were to be incurred in the future, would they be payable? In our view, the nature of the determination that the Applicant seeks is too uncertain for us to be properly able to make a determination. "Protection costs" have no precise definition. We have set out at paragraph 15 how the Applicant defined such costs at the hearing, but such a definition raises many potential issues of fact and interpretation depending on the facts that might arise if any such costs were incurred in the future. We are also not satisfied that either the AGM minutes or the 16 May 2025 email (paragraphs 16 and 18 above) provide certainty as to the type of situation in respect of which an order under section 27A(3) can properly be made; the AGM minutes simply set out that the Respondent may take unspecified action, and the 16 May 2025 says that the management company's funds may be used to "protect" the company, without specifying in what way funds might be used.

26. The rights and obligations of the parties come from the Lease. On the one hand, Schedule 4 does not include any provision that expressly entitles the Lessor to recover through the service charge legal costs incurred as "protection costs" as defined in paragraph 15 above. On the other hand, the Applicant has covenanted by clause 3 (15) (b) to pay "all *costs charges and expenses incurred… in carrying out [the] obligations under Schedule 4"* and the Lessor is able to employ and pay the fees of *"suitable contractors"* under clause 3(8). We cannot properly

decide whether any future legal costs that the Lessor might seek to include in the service charge costs would be recoverable under the Lease provision without knowing the facts which gave rise to the costs in question.

27. The application under section 27 A (3) seeks a determination that any costs that might come within the definition of protection costs would not be recoverable. We are not satisfied that such a determination can be made on the facts available to the Tribunal in this application. If, in the future, the Respondent sought to include legal advice costs in the service charge, the question of whether they would be recoverable would be decided by the proper construction of the Lease, in light of the circumstances in which the costs had been incurred, and taking account of the legal principles which can be taken from the legal authorities. In respect of any such costs, the Applicant might argue that the Lease provisions do not permit recovery. However, the Respondent might seek to argue the contrary. As we have noted above, the fact that the Lease does not specifically refer to legal costs does not necessarily mean they are not recoverable. The facts of each situation need to be considered, and we are satisfied that the question of recoverability of the type of costs covered by the application can only properly be considered when the precise nature of the costs incurred, or to be incurred, are known.

28. Accordingly, the application for a determination under section 27A (3) of the 1985 Act is refused.

Costs

29. The Applicant seeks orders under section 20C 1985 Act, paragraph 5A, Schedule 11 CLRA and Rule 13 of the Rules.

30. Section 20C (1) provides: "*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 the proceedings before [this Tribunal] ...are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by a tenant...*".

31. Paragraph 5A provides: "*A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.*"

32. Under Rule 13 of the Rules, the Tribunal may make an order in respect of costs only:

"(1) ...(b) if a person has acted unreasonably in bringing, defending or conducting proceedings in [a case of this type] ...

... (2) The Tribunal may make an order requiring a party to reimburse to any other party the whole or part of the amount of the fee paid by the other party which has not been remitted by the Lord Chancellor."

33. The Applicant contended that it had been necessary for him to bring this Application because the Respondent had failed to provide him with information relating to the service charge accounts. On 23 March 2025 he sent a notice pursuant to section 21 1985 Act by email to the personal email addresses of the other lessees/directors of the Respondent but not to the email address of the Respondent company. On 16 May 2025 he sent a notice under section 22 1985 Act, again by email to the personal email addresses of the other lessees/directors but not to the company email address. The Applicant submitted that the failure of the Respondent to reply to those notices is evidence of the Respondent's unreasonable conduct which has led to the need for these proceedings.

34. The Applicant also contended that the Respondent has unreasonably refused his offers to mediate, which the Tribunal should take into account on these costs issues. He said he made numerous offers to mediate, none of which were responded to :

    (1) By an email dated 9 October 2024, when he suggested appointment of an outside mediator to assist with working relationships and decision making between the directors;

    (2) By an email dated 29 January 2025 sent to the personal email accounts of the other lessees/directors, in which he said he remained open to mediation to assist resolution of governance and other issues between him and the other directors. One of those issues was a new communication protocol the Respondent had introduced by a majority of the other four directors;

    (3) By emails dated 9 May 2025 sent to the personal email addresses of the other lessees/directors. This was again in respect of the company's communication protocol.

(4) By an email dated 27 June 2025 sent to the personal email addresses of the other lessees/directors. This was marked "without prejudice save as to costs". The Applicant relies on the penultimate paragraph in which he offers mediation. This email was sent the day after this Application was made.

(5) By an email dated 10 November 2025, sent to the company's email address and also to the personal addresses of the other lessees/directors. This was sent following the Tribunal's first case management directions dated 15 October 2025 and his receipt of the Respondent's position statement. The email confirmed he remained open to alternative dispute resolution in whatever format would work for the Respondent and confirmed "*...This might help us to resolve matters more easily than continuing through formal proceedings".*

35. Finally, the Applicant contended that the Respondent had acted unreasonably in its conduct of defending the Application because of issues with disclosure of documents and the format in which documents have been provided.

36. The Respondent denied it had been unreasonable in its conduct, either before the Application was commenced, or in its compliance with the case management directions.

37. In respect of the notices sent by the Applicant under sections 21 and 22 of the 1985, the Respondent denied that they had been properly served on the company. The Respondent relied on the company's communication protocol, mentioned above. This was contained in a document dated 20 January 2025 which was sent to all directors, including the Applicant, by email on 28 January 2025. The "Communication Protocol" specified that all correspondence relating to the company should be sent to a "*...formal MC email address...*" and that "*...Only emails to this address will be acknowledged and emails to the individual directors from [the Respondent] will not be tolerated...".* It also stated that the company was under no obligation to respond to the Respondent's emails which were not sent to the formal management company address. The protocol was endorsed by four of the five directors of the Respondent.

38. The Respondent believed it had acted reasonably in not responding to the sections 21 and 22 notices because the

Applicant had not sent them to the company's email account but had sent them to the individual director's email accounts, in contravention of the communications protocol.

39. In respect of the Applicant's requests for mediation, the Respondent said that the request set out in paragraph 34 (1) -(4) above were all sent to individual director's email accounts in contravention of the communications protocol. Again, the Respondent believed it acted reasonably in not responding because the Applicant did not make the requests to the company as required by the communications protocol.

40. In respect of the request set out in paragraph 34 (5) the Respondent acknowledged it had been sent to the company email address. The Respondent said it had not responded because it did not think mediation was necessary. The Respondent's position was that the Applicant's challenges to the service charges were all without merit because the costs in issue had all been agreed at meetings of the company and indeed by the Applicant.

41. In respect of the Applicant's complaints about disclosure of documents and formatting, the Respondent said it had complied with the Tribunal's directions.

Decisions on costs

42. We deal first with the application under Rule 13 of the Rules.

43. The Tribunal's power to award costs for unreasonable behaviour under Rule 13 was considered by the Upper Tribunal in the case of *Willow Court Management Company (1985) Limited v Alexander and others [2016] UKUT 0290*. The Upper Tribunal confirmed that the test for whether behaviour is unreasonable can be expressed in different ways: would a reasonable person in the position of the party have conducted themselves in the manner complained of; or, the "acid test", is there a reasonable explanation for the conduct complained of. The fact that a party does not have legal representation is relevant when considering reasonableness.

44. We are satisfied that the Respondent has to a limited extent acted unreasonably for the purpose of Rule 13, for the following reasons:

    (1) We find that it was not unreasonable (for the purpose of Rule 13) for the Respondent to decide to not respond to the sections 21 and 22 notices and the requests for mediation set out in

paragraph 34 (1)-(4). We are not considering the legal validity of the notices, the question for us is whether there is a reasonable explanation for not responding. We are satisfied there is. We find that the Respondent did not respond to the notices and the offers to mediate because it believed it was entitled to do so following the introduction of the communications protocol which had been agreed by all the lessees/directors other than the Applicant. In our view that was a reasonable belief for a party without legal representation to hold.

(2) The question of the failure to respond to the final offer to mediate, paragraph 34(5) gives rise to different issues. The failure to respond was solely based on the Respondent's view that the claims being made were meritless. The Tribunal held a case management hearing on 21 November 2025 which the parties attended before Judge Jutton. The parties confirmed to us that Judge Jutton recommended mediation to them. This was only 11 days after the Applicant's mediation offer of 10 November 2025. While we take into account that the Respondent was not represented, we find that it acted unreasonably in not responding at all to the offer to mediate. The Respondent's belief that the claim was without merit is not a sufficient reason to fail to consider resolution of the dispute outside of the Tribunal proceedings, particularly after Judge Jutton had recommended they do so. Mediation, or other ADR process, is designed to seek resolution of disputes notwithstanding the parties' respective views of the merits of their cases.

(3) We find that there was no unreasonable behaviour in respect of disclosure and document formatting. The Applicant made applications about those matters, in which the complaints were rejected by the Tribunal by Directions dated 9 February 2025 and 9 March 2026.

45. Having found some unreasonable conduct, we need to go on to consider the second stage identified in *Willow Court,* namely to consider our discretion whether, in the light of unreasonable conduct found, we ought to make an order for costs. We are satisfied that an order should be made on the facts as we have found them. This then leads us to the third stage, what the terms of the order should be.

46. Exercising our discretion, we are satisfied that the appropriate order is for the Respondent to reimburse the Tribunal fee that the Applicant paid for the hearing of the application. The unreasonable conduct we have found took place in November/ December 2025. There was no unreasonable conduct before then and by that time the fee had been paid to commence the Application. If mediation had taken place, or at least the Respondent had entered into dialogue about it, it is possible that the fees for the hearing could have been avoided. We are satisfied that no further order for costs is appropriate, taking account of all the circumstances and submissions made by the parties.

47. Finally, we come to the applications under section 20C 1985 Act and Paragraph 5A CLRA.

48. The Respondent did not refer us to any provision in the Lease under which either service charges or administration charges might be charged for any costs incurred by it in these proceedings. The Respondent also confirmed that it had not incurred any costs that it might seek to so charge.

49. We are satisfied it is just and equitable to make an order under section 20 C of the 1985 Act in those circumstances. Accordingly, the Respondent may not pass any of its costs incurred in connection with the proceedings before the Tribunal through the service charge that is payable by the Applicant.

50. We also make an order under Paragraph 5 CLRA so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the Tribunal as an administration charge that is payable by the Applicant.

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-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.

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).