FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**LON/00AL/LSC/2025/1207**
Property	:	**35 Fairview Drive, Thamesmead, London SE28 8QT**
Applicant	:	**Joyce Farinto**
Representative	:	**Solomon-Soul Farinto**
Respondent	:	**Thamesview Management (Plots 67-74) Limited**
Representative	:	**JB Leitch Solicitors**
Type of application	:	**An application under section 27A Landlord and Tenant Act 1985**
Tribunal	:	**Judge Rosanna Foskett**
Date	:	**28 July 2026**

DECISION

Introduction

1. This is an application under section 27A of the Landlord and Tenant Act 1985 ("**the 1985 Act**") made by the Applicant on 9 November 2025. Following a video hearing on 1 July 2026, the parties agreed that the matter would be determined on the papers. The Tribunal was provided with a joint PDF bundle of 185 pages, including evidence and submissions from both parties, and has taken the contents of that bundle into account in reaching this Decision.

2. The Applicant is the long leaseholder of Flat 35 Fairway Drive and parking space number 68, Thamesmead, London (title number at HM Land Registry SGL610912) ("**the Property**"). The Applicant has been the long leaseholder since around 2003.

3. The Property is held under a lease dated 20 May 1999 ("**the Lease**") made between Wilcon Homes Eastern Limited (defined as "**the Lessor**"), Thamesview Management (Plots 67–74) Limited (defined as "**the Managers**") and the

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original lessees, Daniel Stephen Price and Elaine Victoria Clarke (defined as "**the Lessees**").

4. The Respondent is now the registered proprietor of the freehold land of which the Property forms part (title number SGL616360). Therefore, under the Lease, "the Lessor" and "the Managers" are now the same entity.[1]

5. The Respondent appointed FirstPort Property Services Ltd to be its managing agent in relation to the Property at some point unknown to the Tribunal, but it is clear that FirstPort demanded the sums which are challenged in this application.[2]

6. The application concerns liability for service charges for the 2025 service charge year (covered by two demands[3]), certain administration charges, and related applications under section 20C of the 1985 Act and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("**the 2002 Act**").

The Tribunal's Decision

7. The Tribunal determines as follows:

   (1) The Tribunal has no jurisdiction to make any decision regarding the ground rent included in certain invoices in the bundle;

   (2) The administration charge of £90 demanded on or around 7 February 2025 is payable by the Applicant (as the Applicant accepts);

   (3) The administration charges set out at paragraphs 8(b)-(g) of the Applicant's written statement at page 43 of the bundle are not payable because each one is not contractually due under the terms of the Lease or, if it is contractually due, it is not reasonable;

   (4) The items of service charge challenged by the Applicant in paragraph 9 of her witness statement are payable (under the terms of the Lease) and reasonable.

The Issues

8. The Tribunal has identified the following issues:

   (1) Whether the Tribunal has jurisdiction to determine the Applicant's challenge concerning ground rent.[4]

   (2) Whether the challenged administration charges (paragraphs 8(c)-(g) of the Applicant's witness statement) are payable and reasonable.

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[1] This appears to the Tribunal to be as a result of the circumstances referred to in recital 2 on page 24 of the PDF bundle and the provisions of clause 3 on page 25.

[2] See for example the ground rent demand at page 50 of the PDF bundle.

[3] One demand for £1,131.44 for 1 January to 30 June 2025 and one demand for £1,131.44 for 1 July to 31 December 2025 plus a balance brought forward of £235.68 (such that the total of the second demand is £1,367.12 – see page 48 of the PDF bundle). The first demand was paid by the Applicant by BACS transfer on 24 March 2025 (see page 53 of the bundle) and the second under protect on around 6 October 2025 (the Tribunal cannot see the date of the payment made on page 58 of the bundle, but it does appear that the sum was received around then as reflected in an email dated 13 October 2025 at page 59 of the bundle).

[4] This appeared to be in dispute from the terms of the Applicant's application but the parties are now agreed that it falls outside the Tribunal's jurisdiction.

(3) Whether the challenged service charge items (paragraph 9 of the Applicant's witness statement) are payable under the lease.

(4) Whether the relevant costs recharged as service charge were reasonably incurred and reasonable in amount.

(5) Whether any order should be made pursuant to section 20C of the 1985 Act.

(6) Whether any order should be made pursuant to paragraph 5A of Schedule 11 to the 2002 Act.

Relevant Law

Service Charges

9. Section 18(1) of the Landlord and Tenant Act 1985 provides as follows:

> *"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."*

10. Section 18(2) provides: "*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.*"

11. Section 19(1) provides:

> *"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."*

12. Section 19(2) provides: *"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."*

13. Section 27A(1) provides:

> *"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."

14. Section 27A(3) provides:

"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."

Administration Charges

15. Paragraph 1(1) of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 provides:

"In this Schedule 'administration charge' means 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;

(b) for or in connection with the provision of information or documents;

(c) in respect of a failure by the tenant to make any payment due under his lease; or

(d) in connection with a breach (or alleged breach) of a covenant or condition in his lease."

16. Paragraph 2 provides: *"A variable administration charge is payable only to the extent that the amount of the charge is reasonable."*

Relevant Lease Provisions

17. Clause 1(b) reserves as additional rent: "*One Eighth of all such sums as are expended by the Lessor in carrying out the obligations set forth in Clause 3 hereof and the Fifth Schedule including such reasonable part of all such expenses which are of a periodically recurring nature whensoever incurred and including a sum of money by way of reasonable provision for anticipated expenditure as the Landlord may in its discretion (acting reasonably) determine ("The Sinking Fund").*"

18. The mechanism for payment of service charges is set out in paragraph 2 of the Fourth Schedule provides that the lessee shall pay. It provides as follows: "*From and after the date hereof and from time to time and whenever called upon to do so One Eighth of the estimated amount of the total costs and expenses to be*

incurred in each period of 12 months in performing the said obligations due allowance being made for any surplus remaining from any previous payments and due additions being made for any previous deficit (subject to the power to vary the proportions set out in paragraph F of the Sixth Schedule hereof) and always including ongoing provisions for the Sinking Fund."

19. This is an important provision in the present case because it expressly provides for: (i) the collection of estimated rather than actual expenditure; (ii) adjustment for any previous surplus or deficit; and (iii) inclusion of ongoing contributions to the Sinking Fund.

20. Paragraph C of the Fifth Schedule sets out the services which the Respondent is required or entitled to provide, including insurance, maintenance, grounds maintenance, management and administration.

Administration charges

Summary of the administration charge challenges

21. The Applicant challenges administration charges as itemised at paragraph 8 of her witness statement.

The £140 under-letting registration fee (paragraph 8(b) of the Applicant's witness statement)

22. The Applicant challenges the underletting fee of £140 (demanded in the invoice dated 22 July 2025 at page 49 of the bundle) on the basis that the Property has been let for many years, that the charge is not authorised by the Lease, and that it is unclear what the fee represents.

23. The Respondent relies upon the Lease's provisions relating to underletting and registration of dispositions. Paragraph 18 of the Fourth Schedule of the Lease permits underletting of the whole of the Property provided that the lessee complies with paragraph 17, which requires the lessee, within one month of an underlease, to give notice to the landlord or the Managers and to pay a reasonable registration fee.

24. The Tribunal is not satisfied that the fee is payable in the circumstances of this case.

    (a) The evidence indicates that the Property has been sublet for a considerable number of years. There is no evidence before the Tribunal as to when the original underletting occurred, whether notice was given at that time or whether any registration fee was then sought or paid. No party suggests that there was any new/subsequent underlease in 2025 which would trigger a fresh obligation under paragraph 17 of the lease.

    (b) There is no evidence explaining the basis upon which the sum of £140 was calculated.

    (c) On the contrary, the material before the Tribunal suggests that, for many years, all parties proceeded on the footing that the Applicant was entitled to sublet the Property and that any relevant leasehold requirements associated with the subletting had been complied with.

25. In those circumstances, the Tribunal finds that:

(a) there was no event triggering a contractual entitlement for the Landlord for a reasonable registration fee in 2025 pursuant to paragraph 17 of the Fourth Schedule; and

(b) in any event, the registration fee, if it had become contractually due, is not reasonable.

26. Accordingly, the Tribunal determines that the fee of £140 demanded on 22 July 2025 is not payable.

Legal costs (itemised at paragraphs 8(c)-(g) of the Applicant's witness statement at page 43 of the bundle)

27. The Applicant challenges the administration charges identified at paragraphs 8(c) to (g) of her witness statement[5] described as:

- administration charge of £90 dated 1 August 2025;
- a "legal review fee" of £90 dated 18 September 2025;
- a Land Registry fee of £30 dated 19 September 2025;
- a "referral fee" of £110 dated 19 September 2025; and
- a "Maybeck LBA" charge of £185 dated 22 September 2025 (assumed to be a "letter before action" sent by a debt collection agency on behalf of the Respondent).

28. It is apparent from the Applicant's statement of account with FirstPort that all of those charges arose in connection with the Respondent's attempts to recover alleged arrears of service charge and ground rent.

29. The Applicant submits that the charges were incurred unnecessarily because the Respondent and its managing agents failed to respond to her correspondence (which was first sent on 29 July 2025 and followed-up on 1 September 2025 as the managing agent had not responded[6]) and inquiries concerning the service charge demands and her direct debit arrangements. She further relies upon the fact that she subsequently made payment of £1,597.12 on 6 October 2025 and contends that the recovery action and associated costs were therefore unreasonable.

30. The Tribunal approaches these items as administration charges within paragraph 1 of Schedule 11 to the Commonhold and Leasehold Reform Act 2002, being charges incurred in connection with an alleged failure to pay sums due under the Lease. Accordingly, each charge is payable only to the extent that the Respondent is contractually entitled to recover it and the amount claimed is reasonable.

31. Clause 1(c) reserves as rent: "*the cost to the Lessor in remedying any breach of the Tenants covenants herein contained*". Further, paragraph 9 of the Fourth Schedule provides, in summary, that the Lessees shall pay "*all expenses*

[5] The Applicant concedes the £90 fee charged on 7 February 2025 because she had not contacted the managing agent by this date regarding payment (see paragraph 9(b) on page 163 of the bundle).

[6] This is asserted by the Applicant (see paragraph 5 on page 43 of the bundle within the Applicant's witness statement) and is not challenged anywhere by the Respondent.

including solicitors' and surveyors' costs and expenses incurred by the Lessor incidental to the preparation and service of a notice under Sections 146 and 147 of the Law of Property Act 1925."

32. The Tribunal accepts that these provisions are capable, in principle, of entitling the Respondent to recover certain costs incurred because of a leaseholder's breach. However, neither provision provides an unrestricted right to recover all administrative or debt recovery costs. Clause 1(c) requires the Respondent to demonstrate that a relevant breach occurred and that the costs claimed were costs incurred in remedying that breach. Paragraph 9 is concerned with costs associated with the enforcement machinery of the lease, in particular expenses incidental to the preparation and service of notices under sections 146 and 147 of the Law of Property Act 1925.

33. The statement of account records the challenged charges, and the bundle contains a letter before action from Maybeck Collections. However, the Respondent has not produced evidence identifying the contractual basis relied upon for each individual charge, explaining how the sums were calculated, or demonstrating that the amounts represent costs actually incurred. There is no evidence that any section 146 or section 147 notice was prepared or served or was contemplated in any other way. Nor is there evidence enabling the Tribunal to determine whether the administration charges, referral fee, legal review fee and collection costs were incurred in remedying a breach within the meaning of clause 1(c) or were otherwise recoverable under the lease.

34. The Tribunal has been provided with a letter before action from Maybeck Collections which refers generally to legal proceedings and recovery activity, but the material before the Tribunal does not establish the contractual basis upon which the administration charges, legal review fee, referral fee or collection costs became recoverable from the Applicant. Nor is there any evidence explaining the necessity for separate charges of £90, £90, £90, £110 and £185 in circumstances where the recovery activity appears to form part of a single course of conduct directed towards the same alleged arrears.

35. The Tribunal also notes that the Applicant's correspondence demonstrates that she had raised queries with the managing agents regarding the demands and her payment arrangements before the recovery process escalated. Whether or not those queries ultimately had merit, the absence of evidence showing any substantive response from the Respondent's agents is a relevant circumstance when assessing the reasonableness of the subsequent charges.

36. In those circumstances, the Tribunal is not satisfied that the Respondent has discharged the burden of proving either that the charges were contractually recoverable under the Lease or that they were reasonable in amount. Accordingly, the Tribunal determines that the administration charges of £90 dated 7 February 2025 and £90 dated 1 August 2025, the legal review fee of £90, the Land Registry fee of £30, the referral fee of £110 and the Maybeck charge of £185 are not payable.

Service charges

Insurance

37. The Applicant contends that the insurance premium for the whole block (and then apportioned to her) of £5,290 is excessive and therefore unreasonably incurred[7] and relies principally upon a quotation she obtained from another broker together with comparisons with service charges payable at another block.

38. The Respondent submits that the comparison is not a like-for-like exercise and that the insurance was renewed following a market-testing exercise undertaken by its insurance brokers. The Respondent further submits that the policy procured provided a broader level of cover than that relied upon by the Applicant.

39. The Tribunal accepts the Respondent's submissions.

    (a) The question for the Tribunal is not whether a cheaper policy might have been available but whether the cost of the policy selected was reasonably incurred for the purposes of section 19 of the Landlord and Tenant Act 1985.

    (b) The Applicant's alternative quotation was obtained independently and relates to a different policy with different terms, exclusions, limits and excesses. The evidence before the Tribunal does not establish that it offered equivalent cover or that the different cover was reasonable for the requirements of leaseholders at the block.

    (c) By contrast, the Respondent's evidence is that the insurance was renewed following consideration of alternative quotations.

40. The Tribunal determines that the insurance provision contained within the 2025 budget is reasonable and payable.

Grounds Maintenance

41. The Applicant submits that the budgeted expenditure of £1,800 for grounds maintenance is unreasonable because other budget headings already provide for services within the block.

42. The Respondent submits that grounds maintenance forms part of its obligations under the Lease and that the figure is consistent with actual expenditure incurred in previous years.

43. The Tribunal accepts the Respondent's position. The Lease expressly requires the maintenance of the drives, accessways, parking areas, paths, gardens and grounds of the building. Grounds maintenance is therefore a service charge item plainly contemplated by the Lease. The Respondent has produced evidence that the previous year's expenditure on this item exceeded the 2025 budgeted sum and that the budget was prepared by reference to historic costs and anticipated expenditure.

44. In a budget-based service charge scheme, section 19(2) requires the Tribunal to consider whether the estimate itself was reasonable when made. On the evidence available, the Tribunal is satisfied that the budgeted figure of £1,800 represents a reasonable estimate of anticipated expenditure and is payable.

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[7] The Applicant does not contend that the Respondent is not entitled to recover insurance costs as service charge under the terms of the Lease.

General Maintenance

45. The Applicant submits that the budgeted provision of £2,000 for general maintenance is unreasonable and suggests that expenditure may have been separated into different headings to avoid statutory consultation requirements.

46. The Respondent submits that the heading represents anticipated expenditure on maintenance during the year and forms part of a budget-based charging regime authorised by the Lease.

47. There is no evidence that the Respondent has divided a single programme of qualifying works in order to avoid consultation obligations – this appears to be speculation on the part of the Applicant.

48. Nor is there evidence that the figure is arbitrary or unsupported by anticipated maintenance requirements.

49. The Tribunal accepts the Respondent's evidence that the budget was prepared having regard to previous expenditure and anticipated maintenance requirements.

50. The Tribunal therefore finds that the estimate for general maintenance was reasonable and is payable.

Management Fees

51. The Applicant contends that the management fee of £2,205 (for 8 units, ie £275.63 per unit) is unreasonable and suggests that a significantly lower figure would be sufficient (£150 per unit).

52. The Respondent submits that the fee reflects the costs of administering the block.

53. The Tribunal accepts the Respondent's submissions. The Lease expressly permits recovery of the costs of administration and management. The Applicant's proposed figure is not supported by evidence and amounts essentially to an assertion as to what she considers reasonable. The Tribunal has not been provided with evidence demonstrating that the management fee is substantially above market rates for a development of this nature and, based on its expert experience, the Tribunal considers that it would be very difficult, if not impossible, to find a managing agent who would charge £150 per unit.

54. The charge is therefore reasonable and payable.

Contribution to Reserve Fund

55. The Applicant challenges the reserve fund contribution of £2,000 on the basis that no reserve fund is required, that no sufficient explanation has been provided, and that leaseholders have not been given adequate information regarding the fund.

56. The Respondent relies upon the express terms of the Lease authorising provision for a sinking fund and submits that the contribution forms part of prudent long-term management of the block.

57. The Tribunal accepts the Respondent's position. The contractual entitlement in the Lease to establish and to collect contributions to a sinking fund is clear.[8]

58. The Tribunal accepts the Respondent's evidence that the budget was prepared by reference to historic expenditure and future obligations affecting the block. Given the age of the development and the desirability of accumulating funds to meet future major expenditure, the Tribunal is satisfied that provision for a reserve fund is a legitimate and prudent management measure and that, in the circumstances, the level demanded is reasonable.

59. Accordingly, the Tribunal determines that the reserve fund contribution is reasonable and payable.

Section 20C and paragraph 5A applications

60. The Applicant applies for an order pursuant to section 20C of the 1985 Act. 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 proceedings before a court, residential property tribunal or leasehold valuation tribunal, or the First-tier 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*."

61. The Applicant also seeks an order under paragraph 5A of Schedule 11 to the 2002 Act, which permits the Tribunal to reduce or extinguish a tenant's liability for an administration charge in respect of litigation costs.

62. In deciding the section 20C application, the Tribunal has considered all the circumstances, including the extent to which each party has succeeded and the nature of the issues raised.

63. The Applicant has achieved partial success (ie on the administration charges). In financial terms, the administration charges represented only approximately 15% of the value of the application.[9]

64. The Tribunal accepts that it was reasonable for the Applicant to bring the application. There were legitimate questions concerning the recoverability of the administration charges and the Tribunal has determined that they are not payable. Equally, however, the Respondent has succeeded on the principal service charge issues and has substantially resisted the application. Doing the best it can to achieve a just and equitable outcome, the Tribunal considers that it would be inappropriate either to grant or refuse the section 20C application in its entirety. The Applicant's success was real but limited. The Tribunal therefore directs that only 85% of the Respondent's costs incurred in connection with these proceedings may be regarded as relevant costs to be taken into account in determining any service charge payable by the Applicant.

65. The same considerations apply to the paragraph 5A application. The Applicant succeeded on the disputed administration charges but failed on most service

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[8] Clause 1(b) of the Lease expressly permits the collection of a sum by way of reasonable provision for anticipated expenditure described as "The Sinking Fund". Paragraph 2(a) of the Fourth Schedule requires the lessee to contribute towards estimated expenditure and expressly provides for ongoing provisions for the sinking fund. In addition, paragraph C(8) of the Fifth Schedule permits the provision of a sinking fund if the landlord requires one.

[9] The disputed service charges for the Property amounted to £1,131.44 x 2. The disputed administration charges were approximately £400.

charge issues. It is therefore just and equitable to limit, rather than extinguish, any administration charge for the Respondent's litigation costs to 85% of the amount otherwise recoverable under the Lease.

Name: **Judge Rosanna Foskett** **Date: 28 July 2026**

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).