FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**HAV/00LC/LSC/2025/0806**
Property	**:**	**14, 26 Starboard Crescent, Chatham, Kent, ME4 4FZ**
Applicants	**:**	**Ms Mikki Offei**
Respondent	**:**	**Persimmon Homes Limited**
Representative	**:**	**Pembroke Property Management Limited**
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	**:**	**Mr D Cotterell FRICS** **Mr A Hetherton MRICS IRRV**
Date of Hearing	**:**	**24 July 2026**
Date of Decision	**:**	**10 August 2026**

DECISION

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Decision of the Tribunal: Summary

1. **In relation to the specific items challenged in the application, the Tribunal determines that the amounts payable for the charges shown in each case, are as follows:**

Date of Charge	Charge Description	Amount
15 Aug 2025	Administration Charge	£ 50.00
16 Sep 2025	Legal Review Fee	£ 50.00
17 Sep 2025	Land Registry Fee	Nil
17 Sep 2025	Referral Fee	Nil
18 Sep 2025	Maybeck LBA	£30.00
18 Sep 2025	Late Payment Interest @8%	To be calculated

2. **The tribunal makes an Order pursuant to section 20(c) of the Landlord and Tenant Act 1985 that any costs incurred by the Respondent in relation to these proceedings are not to be regarded as relevant costs to be taken into account in determining the service charge payable by the Applicant or by the other persons specified in the section 20(c) application.**

3. **The tribunal further makes an Order pursuant to paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 that any costs incurred by the Respondent in relation to these proceedings shall not be recoverable from the Applicant by way of administration charge. The Tribunal's reasons are set out below.**

The Application

4. The application seeks determination of liability to pay and/or reasonableness of service charges under s.27A of the Landlord & Tenant Act 1985 in relation to 14, 26 Starboard Crescent, Chatham, Kent, ME4 4FZ (the Property). The application was dated 30 October 2025.

5. The Applicant challenges service charges levied in 2025. The application listed the items in issue. The applicant also seeks an order under section 20C of the

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Landlord & Tenant Act 1985 and/or paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

6. By Directions given on the 30 March 2026 and again on 10 July 2026 in which the Application was considered suitable for determination on the papers without a hearing. The parties provided, and the Tribunal read and considered, a bundle of 114 pages.

7. The Applicants' case was supported by a statement of case. The Respondent's case was supported by a statement prepared by Geoffrey Hollywood, Director of Pembroke Property Management Limited.

8. The Property is described as a two-bedroom leasehold residential flat within a managed block of approximately 24 flats built around 2020. The Applicant is leaseholder of No.14.

The Parties' Statements & Submissions

9. The Applicant explains the 2025 demand was the first service charge demand received since she purchased the Property in 2021. The managing agent at the time the demand was made, was FirstPort Property Services Ltd, which instructed Maybeck Collections Ltd to pursue alleged arrears. The current managing agent is Pembroke Property Management Limited.

10. The Applicant says that she accepts liability for the underlying 2025 service charge of £543.74 but disputes a range of additional charges that had increased the balance to £1,053.98. The charges in issue total £510.24 and include costs of administration, legal review, Land Registry, referral, letter-before-action and interest fees.

11. The Applicant submits that she did not receive the original service charge demand, having had no reason to expect one, because no service charge demands had been issued during the previous 4 years and only became aware of the alleged arrears when contacted by Maybeck Collections (on behalf of the freeholder) in September 2025.

12. The Applicant also explains that she has been suffering from Long Covid, Chronic Fatigue Syndrome and reactivated Epstein-Barr virus. Due to these health conditions, she has been staying with her parents and has not regularly accessed post sent to the property. She states that relevant parties were informed of her circumstances but did not make reasonable adjustments.

13. For the Respondents, a statement from Mr Geoffrey Hollywood mentioned that Pembroke became the managing agent for the property on 1 January 2026, replacing FirstPort, which managed the property during the period under dispute.

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14. Mr Hollywood confirmed that the Applicant had occupied Flat 14, 26 Starboard Crescent since 5 July 2021 and accepted that, based on records received from FirstPort, no service charge demands appear to have been issued between July 2021 and 3 December 2024. He contended that the service charges were reasonable under section 19 of the Landlord and Tenant Act 1985. He accepted that, although the charges may seem relatively modest, the building contains shared facilities such as a lift and automatic opening vents which contribute to management costs.

15. Mr Hollywood also submitted that the administration charges were reasonable, consistent with normal industry practice for late payment, and recoverable only insofar as they are reasonable under Schedule 11 of the Commonhold & Leasehold Reform Act 2002, which he asserts, they are. He claims that FirstPort had correctly applied the administration charges in accordance with the lease and that removing those charges would unfairly shift the associated costs onto other leaseholders.

16. The charges in dispute total £510.24, comprising administration, legal review, Land Registry fees, referral processes, a letter-before-action and interest charges, resulting in a total claimed balance of £1,053.98.

The Lease

17. The bundle included an undated copy of a lease of a property with the address "*Colonial Wharf Plot 158*" which is, according to the Applicant, the subject Property with the postal address No.14, 26 Starboard Crescent, Chatham, ME4 4FZ. The lease grants a term of 254 years, 363 days from 21 October 2017. The extent of the demised flat is described in Schedule 1 of the lease.

18. The Leaseholder's obligations with regard to service charges are detailed in Schedule 4, notably paragraph 15: "*To pay in advance to the Management Company the Service Charge in accordance with the provisions of the Seventh Schedule to this lease*".

19. Schedule 6, Part 2 ("Service Costs") adds: "*The Service Costs of any Accounting Period are all the expenditure, liabilities and overheads (including Value Added Tax to the extent to which it is not recoverable by the Management Company as input tax) paid or incurred by or on behalf of the Management Company during or in respect of that Accounting Period of and incidental to: … (8) the cost of employing or engaging solicitors, counsel and other professional persons in connection with the management of the Development the administration and collection of the Service Charge payable by the Tenant and by the other tenants in the Block;*"

The Issues

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20. The issues raised by the Applicant is that the following items are not reasonable in the meaning of Section 19 of the Landlord & Tenant Act 1985:

Date of Charge	**Charge Description**	**Amount**
15 Aug 2025	Administration Charge	£ 90.00
16 Sep 2025	Legal Review Fee	£ 90.00
17 Sep 2025	Land Registry Fee	£30.00
17 Sep 2025	Referral Fee	£110.00
18 Sep 2025	Maybeck LBA	£185.00
18 Sep 2025	Late Payment Interest @8%	£5.24
	TOTAL	£510.24

The Evidence

21. The Tribunal has considered the documents contained in the bundle. In addition to the parties' statements, there is correspondence between the Applicant (A), Maybeck Collections (MC) and FirstPort (FP), that charts the development of the dispute.

Date	**Message**
25/09/25 – MC to A	MC referred to earlier messages (a letter of 18 September) noting that no response or payment had been received. Warning that unless outstanding sums paid by 02/10/25, recovery action would continue & further costs could be incurred.
25/09/25 – A to MC	A explained she had not received any earlier service charge demands, was living away from the property while recovering from Long Covid, Chronic Fatigue Syndrome and reactivated Epstein-Barr virus. She requested copies of the original demand and a breakdown of charges, asserted that her condition amounted to a disability under the Equality Act 2010, and asked for the account to be restored to the original service charge amount, enforcement action to be paused, and additional charges removed as reasonable adjustments. She stated that she was willing to pay the original service charge once the account was corrected.

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26/09/25 – MC to A	MC sent a copy of the service charge demand and updated statement. It expressed sympathy regarding health but stated that correspondence had been correctly served at the property address and that it was not responsible for failure to arrange mail forwarding. Maybeck maintained that all charges had been correctly applied, refused to reduce the balance of £1,053.98, and required payment within 7 days.
28/09/25 – A to MC	A accepted liability for the basic service charge of £543.74 but disputed additional fees. Reiterated Equality Act requirement of reasonable adjustments and requested: a pause on enforcement action, a corrected statement showing only the original service charge, suspension of further fees, an extension of the payment period to at least 28 days, and direct liaison between M and FP. Again offered to pay the original charge either after correction of the account or under protest.
01/10/25 – MC to A	MC stated that FP had emailed A on 03/09/25 re arrears of £633.74 before the account was referred to collections. Refused to remove any fees, maintained that payment of the full £1,053.98 was required, and stated that it was A's responsibility to notify FP of any change in circumstances.
01/10/25 – A to M & FP	A denied receiving the 03/09/25 email and repeated requests for reasonable adjustments. Emphasised the impact of the situation on her health, renewed her offer to pay £543.74 under protest, sought an explanation of what Equality Act considerations had been undertaken, and warned that she might complain to relevant bodies or apply to the First-tier Tribunal regarding the additional charges
03/10/25 – MC to A	MC confirmed FP's email had been sent to the same email address then being used by A, maintained that neither FP nor MC was responsible for the arrears or fees, encouraged A to seek legal advice, stated that its position remained unchanged, and advised that the file would be held for a further 7 days pending payment or a Tribunal reference number.
06/10/25 – A to MC	A sent a detailed reply reiterating that she had not received the September email and highlighting that this was the first service charge demand received since purchasing the flat in 2021. She argued that both FP and MC had duties under the Equality Act once informed of her disability, criticised FP's lack of response, again offered immediate payment of the original service charge, and requested suspension of enforcement action while she prepared a Tribunal application.
08/10/25 – MC to A	MC stated it accepted A was experiencing poor health but said it could not identify what adjustments she was requesting. MC extended the response period from 7 to 14 days, confirmed that no further fees or enforcement action would occur during that period.

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12/10/25 – A to MC	A clarified the specific adjustments sought: (1) pausing enforcement action, (2) freezing fees and interest, (3) accepting payment of £543.74 while the dispute was resolved, (4) allowing extra time for Tribunal proceedings, (5) formally acknowledging her disability, and treating Maybeck's letter as the first effective notice of arrears. A reiterated that she did not dispute the service charge itself and requested that the pause remain in place until she received a response or supplied a Tribunal reference number.
17/10/25 – MC to A	MC confirmed that the file had been on hold and that no further fees were accruing, but rejected A's proposal to pay only the service charge, stating this was not a reasonable adjustment. Set out settlement offer, refused to extend the 14-day period further, declined to treat its correspondence as the first effective notice of arrears, maintained that earlier notices had been properly served. Gave a final 14 days to pay the reduced amount or provide a Tribunal case number.
27/10/25 – A to MC	A advised that Tribunal application was ready for submission. Stated that she had discovered what she believed to be a connection between MC and FP & intended to raise this before the Tribunal. As a final attempt to settle, offered immediate payment of the original service charge of £543.74 in full and final settlement, explained her health circumstances and the burden of preparing the Tribunal case, and requested a response by 30 October 2025.
27/10/25 – MC to A	MC replied that its previous email had already set out its settlement proposal. Stated that if A did not accept that offer it would be withdrawn after 31/10/25.

The Legal Principles

22. Service charges are defined in the Landlord & Tenant Act 1985, section 18 as:

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 [F1dwelling] as part of or in addition to the rent—

(a) which is payable, directly or indirectly, for services, repairs, maintenance [F2, improvements] or insurance or the landlord's costs of management, and

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(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.

23. The law requires that service charges must be reasonably incurred and are payable only where works are carried out to a reasonable standard. In this respect, the Landlord & Tenant Act 1985 at section 19 says:

Section 19 - Limitation of service charges: reasonableness.

(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.

24. The Applicant contends only that the relevant costs scheduled above totalling £510.24 have been unreasonably incurred.

The Tribunal's Decision

25. The Tribunal thanks the parties for their helpful submissions.

26. In consideration of the terms of the lease relating to costs, notably "… *the cost of employing or engaging solicitors, counsel and other professional persons in connection with the management of the Development the administration and collection of the Service Charge payable by the Tenant*" the Tribunal finds that

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the freeholder is entitled to charge for administration and collection costs that include appointment of a third party to seek collection of costs, subject to section 19(1)(a) set out above.

27. The Tribunal also finds that the freeholder may charge interest on sums owing as detailed at Schedule 4 paragraph 2 of the lease.

28. The Tribunal finds that in the subject application, the costs of a "referral fee" (£110) and a "Land Registry Fee" (£30) are unreasonably incurred.

29. The Tribunal, using its expert knowledge, finds the following charged items to be excessive and should be limited to the amounts shown:

    a. "Administration Charge" to £50

    b. "Legal Review Fee" to £50

    c. "Maybeck LBA" to £30

30. Late Payment Interest shall be recalculated accordingly.

31. In the application form, the Applicant applied for an order under section 20C of the Landlord and Tenant Act 1985 Act. Such an order may restrict costs incurred by the landlord in these proceedings being levied in the service charge payable by the tenant or any other leaseholder who joins the section 20C application. Additionally, an application was made under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002. Such an application may reduce or extinguish the tenant's liability to pay an administration charge under the terms of their lease.

32. The most significant issue for the Tribunal to determine in this application was the reasonableness of the charges levied in relation to collection costs. The Applicant has largely succeeded in the complaints she has raised.

33. The Tribunal therefore makes an Order pursuant to section 20(c) of the Landlord and Tenant Act 1985 that any costs incurred by the Respondent in relation to these proceedings are not to be regarded as relevant costs to be taken into account in determining the service charge payable by the Applicant or by the other persons specified in the section 20(c) application.

34. The Tribunal further makes an Order pursuant to paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 that any costs incurred by the Respondent in relation to these proceedings shall not be recoverable from the Applicant by way of administration charge.

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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).

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