FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**HAV/00HQ/LSC/2025/0780**
Property	**:**	**The Point, Marina Close, Boscombe, BH5 1BS**
Applicants	**:**	**The Boscombe Point Management Company Ltd**
Applicant's Representative:		**Napier Management Services Ltd**
Respondents	**:**	**The Leaseholders of Flats 1 – 83, The Point, Marina Close, Boscombe, BH5 1BS**
Type of Application	**:**	**For the determination of the liability to pay service charges under section 27A, Landlord & Tenant Act 1985**
Tribunal Members	**:**	**Mr D W Cotterell FRICS** **Mr A Hetherton MRICS IRRV (Hons)**
Date of Decision	**:**	**6 August 2026**

DECISION

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DECISION

1. **In the Tribunal's view, in the event that the installation of solar panels supplying electricity to the benefit of the Estate, that seems "appropriate" to the Association / BPMC, then such works would constitute a "further service" in the meaning of paragraph 10.2.**

2. **In consequence, and provided that the costs and benefits of any scheme are reasonable within the meaning of section 19 of the Landlord & Tenant Act 1985, then the cost of installation would be a cost recoverable as a Maintenance Charge under the Fifth Schedule.**

3. **Subsequently, the maintenance of the solar panels and related equipment would form a part of the Common Parts and the cost of maintenance would likewise be recoverable as a Maintenance Charge under the Fifth Schedule, again subject to reasonableness in each case.**

REASONS

Introduction

4. This is an application under s27A(3) of the Landlord and Tenant Act 1985 ('the 1985 Act') for the Tribunal to determine in advance, the payability and reasonableness of service charges in respect of The Point, Marina Close, Boscombe, Bournemouth, BH51BS ("the Property"), a purpose-built residential development dating from around 2000.

5. The Tribunal issued directions on the 2 March 2026 and the 23 April 2026 advising the parties that the Application would be considered on the papers alone without an oral hearing and will be determined in accordance with rule 31 of the Tribunal Procedure Rules 2013 unless a party objected; no objection in that regard was received.

The Application

6. The application is made by the Boscombe Point Management Company Limited ("BPMC") in their capacity as a party in the leases of the individual residential flats and owner of a lease of the common parts of the Property. BPMC is represented in the application by Napier Management Services Limited, of Fordingbridge.

7. The application seeks determination in advance for proposed expenditure in 2027 relating to the installation of solar panels to the roof of the Property together with associated costs and costs of alteration to the roof of the property.

8. The question required of the Tribunal is whether the proposed expenditure in the solar panel project may be raised as a service charge under the terms of the individual residential leases.

9. The Applicant explains that the building would benefit from electricity supply and, presumably, the sale of any surplus generation to set against the initial capital installation costs, estimated to be approximately £150,000 with annual maintenance in the region of £1500 per year (before division among service charge payers).

The Proposed Works

10. Napier Management Services (on behalf BPMC) have commissioned a feasibility report from ION Building Services Consulting Engineers dated December 2024.

11. In the executive summary to that report, the consultants identify the potential for installation of solar panels and, on the basis of computer-based calculation, it is estimated that there is space to install 104 PV panels at 52kWp (kWp understood to mean "kilowatt-peak", that being the maximum power output of a solar panel in ideal conditions.

12. This array would, they say, generate a total of 51.97 MWh of electricity a year, on the basis of which a financial calculation indicates, on their calculation, a payback period of 10.3 years. They identify the potential to include an additional smaller array on the garage roof located within the centre of the block, for a further 14 panels. This gives similar projected return, pro rata. In conclusion, their report "*concludes that the installation of a new PV array on the main roof, coupled with a battery storage system… Would provide an attractive financial payback period, however, consideration must be given to the potential requirement for significant structural works on the roof of the building to support any new PV equipment…*".

The Leases

Individual Residential Leases

13. The application includes a simple lease (of Flat No.68) dated 15 November 2002. The Tribunal understand that all leases at the Property are in similar terms. The parties to the example lease comprise: Bellway Homes Limited (1) ("Lessor") the Boscombe Point Management Company Limited (2)(the "Association") and the proposed individual leaseholders Mr & Mrs O'Connor (3)("Lessee").

14. Within the lease, the demised area and common parts are defined; in the latter case as "*the structure of the block including the roof …*" other components being extensively described. – including parking spaces. It is evident therefore that the roof as a foundation onto which any solar panel installation might be fixed is included within that definition of the common parts.

15. Any installed cabling and fixtures would appear to then be comprised in "the Common Services" defined as "*sewers drains water pipes tanks gutters fire alarms wires cables conduits and rubbish chutes and other like means of disposal or storage of soil water gas electricity television radio and other services and of soil smoke rubbish and other material or other matter and the lifts and lift shafts which are now or may within eighty years from the date of the commencement of the term created by this Lease be in or under the Block or any part thereof (including the premises hereby demised) or the Estate or any part thereof (hereinafter together called "Service Installations") not being Leased Services or Excluded Services as hereinafter defined*"

16. A "Maintenance charge" is defined as (subject to a minimum payment in the first year) as the "*Appropriate Proportion of the aggregate of the cost to the Association of complying with its covenants set out in the Fourth Schedule…*". The appropriate portion payable by individual lessees is also defined.

17. BPMC agrees under the terms of the lease to "*perform and observe the covenants on the part of the association set out in the fourth schedule…*" Those covenants include insuring, maintenance and redecoration and other matters required to manage the Property.

18. The Fourth Schedule sets out in some detail at Paragraph 10(1) an obligation on the Association to "*To maintain the Common Parts in good order and condition*" but more particularly at Paragraph 10(2) an obligation "*To carry out and provide and maintain repair and renew as necessary such further services in or on the Estate for the benefit of the Estate … as may seem appropriate and in particular but without prejudice to the generality of the foregoing to purchase or hire equipment for use for the benefit of residents of the Estate*".

19. The lease's Fifth Schedule – details the administration of a maintenance charge to lessees. Such charges are broadly defined to comprise "*The management and administration of the Association (including all fees or commissions payable to any Agents) and interest and other charges on any borrowing for the purposes of meeting the Associations obligations*".

The Association's Lease

20. This lease (an undated, unsigned copy being included in the bundle) made between Bellway Homes Ltd (1) and BPMC (2) demises to BPMC the extent of Bellway's title apart from the individual residential flats – effectively, all the common areas and structural elements at the Property, which would appear to include the roof, corresponding to the common parts defined in the individual residential leases.

21. The Second Schedule sets out BPMC's covenants being a duty to maintain the Property and administer its estate management.

Evidence

22. The Applicant's statement of case submitted in the name of Paul Godier a director of BPMC Mr Godier explained that BPMC is responsible for maintaining the common parts of the estate and employs Napier Property Management Ltd as its managing agent. The board, he said, wished to reduce electricity costs for the common parts and had been exploring whether solar panels would provide a worthwhile financial benefit. BPMC's submission is that the leases can reasonably be interpreted to permit the installation and maintenance of solar panels, with the costs recoverable through the service charge, and it seeks the Tribunal's confirmation of that right.

23. He clarified that the application did not seek approval of any specific expenditure. Instead, BPMC asked the Tribunal to determine whether the relevant leases provide a legal basis for recovering the initial installation costs of solar panels through the service charge; and also ongoing maintenance costs through the service charge.

24. BPMC relied, he submitted, on 3 key lease provisions:

25. The lease of the common parts allows alterations and additions to the demised premises with the freeholder's prior written approval. BPMC argued this could permit the installation of solar panels.

26. Flat leases require BPMC to provide, maintain and renew "such further services" on the estate as may seem appropriate. BPMC he contended, thought that solar panels could constitute such a service if financially justified.

27. The service charge provisions allow recovery of costs and outgoings incurred in relation to parts of the estate not demised to individual leaseholders. BPMC argued this could include both installation and maintenance costs for solar panels.

28. The directors acknowledge that they are volunteers and are uncertain whether their interpretation is legally correct. They were therefore seeking the Tribunal's decision before authorising expenditure.

29. Opposing the substance of the application, an objection was made by Mr Mark Osborne (of Flat No.26). His primary concern concentrated on the financial justification for the proposal. He argued that the feasibility study prepared by ION Consulting Engineers Ltd is flawed and presented an overly optimistic assessment of the project's viability, as it excludes important costs, omits a proper Net Present Value analysis, fails to include annual maintenance costs, and uses an unexplained low initial cost figure. He contended that, if corrected, the projected break-even point moved to around 22 to 23 years. Including additional expenses such as professional fees, structural works, electrical works, battery replacement and eventual decommissioning, he suggested that costs would push break-even beyond the expected lifespan of the system, making the investment uneconomic.

30. On other grounds, he argued that leaseholders should not be compelled to fund an optional improvement project that is neither maintenance nor repair of the existing building. He considered the solar installation comparable to adding a new amenity, such as a swimming pool, which should require leaseholder consent rather than being imposed through maintenance charges.

31. He questioned the Applicant's reliance on lease provisions relating to lighting and communal services, arguing that existing lighting obligations are already being met. While he acknowledged that paragraph 10.2 of the Fourth Schedule may allow additional services that are appropriate and beneficial to residents, he argued that appropriateness and reasonableness cannot be assessed without considering the financial merits of a specific proposal. He also contended that the project benefits leaseholders particularly rather than residents generally.

32. He also raised administrative concerns relating to BPMC's duties to its shareholders, noting that a project of this size was not included in the previously approved 10-year financial plan and that leaseholders had not been formally consulted when the Applicant had suggested that the matter was not disputed.

33. Following clarification that the Applicant required only a ruling on the lease's interpretation rather than approval of a specific scheme, he has withdrawn his detailed financial challenge but requests that any Tribunal decision be narrowly framed so as not to prejudice future challenges to any Section 20 consultation on a revised solar proposal.

34. An objection was also received from Mr & Mrs Capewell (flat No.82) raising broadly similar points and expressing concerns at the unnecessary nature of the proposal.

35. A further statement of support was received from Mr Walsh, a director of BPMC and a reply from Mr Godier to Mr Osborne's points.

36. The Legal Principles

37. The law requires that service charges must be reasonably incurred and are payable only where works are carried out to a reasonable standard. For that purpose, s.18 of the Landlord & Tenant Act 1985 defines the concept 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 estimate costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with matters for which the service charge is payable."

38. As to the limitation of service charges and their reasonableness it goes on to say at section 19:

"...

(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period—

(a) only to the extent that they are reasonably incurred, and

(b) where they are incurred on the 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.

39. As to validity of a service charge item, section 27A of the Act provides that:

"...

(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 Tribunal's Decision

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

41. The issue to be determined by the Tribunal is whether costs relating to the proposed installation of solar panels to the roof of the Property together with associated costs and costs of alteration to the roof of the property may be recovered as a service charge under the terms of the individual residential leases. The Tribunal finds as follows:

42. The powers afforded BPMC (as "the Association") under the terms of the individual residential leases, in the Fourth Schedule at paragraph 10.2 "*...To carry out and provide and maintain repair and renew as necessary such further*

services in or on the Estate for the benefit of the Estate … as may seem appropriate"

43. In the Tribunal's view, in the event that the installation of solar panels supplying electricity to the benefit of the Estate, that seems "appropriate" to the Association / BPMC, then such works would constitute a "further service" in the meaning of paragraph 10.2.

44. In consequence, and provided that the costs and benefits of any scheme are reasonable within the meaning of section 19 of the Landlord & Tenant Act 1985, then the cost of installation would be a cost recoverable as a Maintenance Charge under the Fifth Schedule.

45. Subsequently, the maintenance of the solar panels and related equipment would form a part of the Common Parts and the cost of maintenance would likewise be recoverable as a Maintenance Charge under the Fifth Schedule, again subject to reasonableness in each case.

46. In summary therefore, if costs were incurred as described, a service charge would be payable for the costs and would:
    a. Be payable by leaseholders in accordance with their leases,
    b. Be payable to BPMC,
    c. In any amount that is reasonable and reasonably incurred,
    d. On any date required by the terms of leaseholders' leases,
    e. In a manner required by the terms of leaseholders' leases.

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 should be made on Form RP PTA available at https://www.gov.uk/government/publications/form-rp-pta-application-forpermission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber

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).