

HAV/43UB/LSC/2025/0790

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

Case Reference	:	HAV/43UB/LSC/2025/0790
Property	:	25 St Georges Lodge, Queens Road, Weybridge, Surrey, KT13 0AB
Applicant	:	Annabelle Cook
Respondent	:	St George's Lodge Owners Association Limited
Representative	:	Guillaumes LLP, Solicitors.
Type of Application	:	Determination of liability to pay and reasonableness of service charges Section 27A Landlord and Tenant Act 1985
Tribunal Members	:	Mr D Cotterell FRICS Mr P Cliffe-Roberts FRICS
Date of Hearing	:	10 July 2026
Date of Decision	:	22 September 2026

DECISION

Decision of the Tribunal: Summary

- The Tribunal determines that the reasonable amounts, reasonably incurred and payable as service charge under the terms of the lease for Flat 25 St George's Lodge, for the service charge years in issue, are as follows:**

	2020	2021	2022	2023	2024	2025
Rates	£636.00	£30.00	£30.00	£ 36.00	£ 72.00	£ 37.00
Cleaning	£ 3,615.00	£ 4,677.00	£ 4,612.00	£ 4,588.50	£ 4,109.00	£ 3,357.00
Power, light and heat	£177.22	£ 567.28	£ 722.44	£ 872.97	£ 770.57	£ 775.82
Repairs and maintenance	£14,775.75	£ 10,620.29	£8,978.83	£11,085.87	£12,535.98	£ 11,097.40
Legal and professional fees	£306.00	£738.00	£ 600.00	£ 187.20	£240.00	£ 53.00
Insurance	£1,654.55	£3,137.45	£2,886.25	£3,168.77	£4,145.03	£4,587.14
Total	£21,164.52	£ 19,770.02	£17,829.52	£19,939.31	£21,872.58	£ 19,907.36
Expenditure per flat (1/24)	£881.86	£ 823.75	£ 742.90	£830.80	£911.36	£ 829.47
Management charge @ 15%	£132.28	£123.56	£ 111.43	£124.62	£ 136.70	£124.42
Total due Flat 25	£ 1,014.13	£947.31	£ 854.33	£ 955.43	£ 1,048.06	£ 953.89

- The Tribunal makes an order under section 20C of the Landlord & Tenant Act 1985 and Paragraph 5A Schedule 11 Commonhold and Leasehold Reform Act 2002**
- The Tribunal makes an order for costs under Rule 13 of the Tribunal Procedure (First-Tier Tribunal) (Property Chamber) Rules 2013 payable by the Respondent to the Applicant, in the amount of £1,816.67.**
- The Tribunal's reasons are set out below.**

The Application

5. 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 Flat 25, St George's Lodge, Queens Road, Weybridge, Surrey, KT13 0AB. (the Property).
6. The application was dated 20 September 2025 and was received 11 October 2025. The Applicant challenges service charges levied in 2021, 2022, 2023, 2024, and 2025. At an appendix to the application form, the Applicant sets out a number of matters of complaint, of which only some fall within the jurisdiction of the Tribunal to decide under this application, which are:
 - a. Use of service charge funds to pay for Respondent's legal costs and directors' personal legal costs;
 - b. Levying of a management fee in excess of the contractual amount;
 - c. Reasonableness of repair costs;
 - d. Absence of consultation with leaseholders on repair and maintenance
7. By Directions given on the 6 March 2026 and subsequently on 2 April 2026 following a case management hearing, the issues for which the applicant seeks determination were identified as:
 - a. The reasonableness of management fees, repairs & maintenance costs, and legal fees.
 - b. Whether an order under section 20C of the 1985 Act and/or paragraph 5A of Schedule 11 to the 2002 Act should be made
8. The application was heard on the 28 July 2026 at Havant Justice Centre, Elmleigh Road, Havant. The parties provided, and the Tribunal read and considered, a main bundle of 340 pages and additional documents (not being within the bundle) including a copy of the application form, a Respondents' reply to a Scott schedule, an Excel version of "*service charge for Flat 25*", and a Respondent's statement of case dated 11 June 2026.
9. The Applicant's case was supported by (i) a statement of case, (ii) a position statement (iii) a document titled "*Key Figures at a Glance*" (iv) a detailed "Application Under Section 20c, Landlord & Tenant Act 1985 And Paragraph 5a, Schedule 11, Commonhold & Leasehold Reform Act 2002" (v) an application for costs and schedule of the Applicants costs (vi) a chronology, and (vii) a witness statement.

Background & Issues

10. In her application the Applicant challenges the payability and reasonableness of service charges demanded by the managing St Georges Lodge Owners Association Limited for the years 2020–2025. She says that she accepts liability for legitimate expenditure properly recoverable under the lease but argues that the Respondent has failed to provide compliant accounts or supporting documentation as required by the lease, and also by the Tribunal’s directions.
11. The Applicant says that the Respondent has produced 3 materially different versions of its accounts in (i) profit & loss accounts for 2023–2024 only filed at Companies House (ii) accounts produced in response to the Tribunal’s directions and (iii) accounts given in a witness statement of Ian Grove, for the Respondent. It is also pointed out that none of the accounts versions was accompanied by invoices, receipts, or vouchers despite a specific Tribunal direction requiring them (Paragraph 17 of the directions of 02 April 2026 [82]).
12. The Applicant highlights material discrepancies in both insurance and management fee figures across the 3 versions of the accounts. Insurance figures in the accounts exceed, she says, the supporting insurance documentation every year from 2021 to 2025, with a discrepancy exceeding £2,000 in 2025.
13. With regard to management fees, she points out that the terms of the lease limits management fees to 15% of expenditure (clause 4 (3)(ix) of the lease) page [311]. The Applicant says that the management fees actually charged exceeded that cap in each of the subject service charge years, producing a total excess of approximately £12,315.72. She also points out that the service charge account makes payments to IGCS Limited, a company that she asserts is owned and directed by Ian Grove (a director of the Respondent company) and appear to be payments by a director to himself, unsupported by invoices, contracts, or fee calculations.
14. In relation to consultation requirements imposed by s.20 of the Landlord and Tenant Act 1985 the Applicant submits that that repairs and maintenance expenditure totalling over £69,000 may have required consultation under Section 20 of the Landlord and Tenant Act 1985 and adds that no s.20 notices were ever sent to her.
15. The Applicant’s specific concerns relate to:
 - a. The Management fee levied, since the amounts charged exceed the 15% amount stipulated by her lease
 - b. Insurance costs, as no reconciliation or explanation had been given to her. She notes discrepancies between annual amounts in the accounts and insurance premiums and costs invoiced including a £2,003.27 discrepancy in 2025.

- c. Cleaning costs, since cleaning is provided by 2 cleaners attending for 2 hours every 2 weeks. She asserts that the amounts paid are more than double her estimate of a reasonable cost.
 - d. Repair & maintenance costs, since no invoices, receipts or scope of works had been provided to her.
 - e. Motoring expenses, in respect of which she submits that this should be considered an administration expense being part of the management fee levied since no explanation of how they relate to other recoverable items has been given.
 - f. Telephone costs, in respect of which she mentions that she has never received any telephone communication from the Respondent during 6 years' residence at the Property; correspondingly she submits that these charges should be considered an administration expense.
 - g. Printing, postage, and stationery – again the Applicant submits that these charges should be considered an administration expense.
 - h. Legal & professional charges of £2,124.40 over the period in question. The Applicant says that legal fees incurred in engaging with her are not recoverable through the service charge as defined in the lease.
 - i. Accountancy costs, since the accounts contain inconsistencies and accordingly amounts for insurance and management fees are irreconcilable across documents; further, charges for “registered office” fees and a “confirmation statement” in 2024 are company secretarial costs and not service charge items.
 - j. A pervasive point made by the Applicant is the absence of documentation supporting the charges levied.
16. In reply, the Respondent in their statement of case note that the Applicant does not dispute liability for legitimate expenditure as long as it is properly recoverable under the lease. The Respondent submitted that only necessary works were carried out during the period in question.
17. They explain that subsequent to taking on management of the Property from the freeholders, maintenance fees had been requested monthly rather than annually in order to assist the management company's cashflow management. The Respondent's solicitors had also mentioned correspondence [96] that there “... *are no service charge demands, as since the Resident's Association was incorporated in 2014, all Leaseholders agreed to pay the service charge by monthly instalments.*” They point out that the service charge levied covers basic “planned maintenance only” and that major works are charged in a different fashion.

18. The Respondents say that their accountants Ward Williams have prepared all statutory reports and accounts and rely on these in reply to the Applicants complaints.
19. It was submitted that flats in the block were in a dilapidated state when the Respondent took over management and that remedial works carried out were extensive, including window replacement, provision of a new CCTV and intercom system, communal area redecorations including new carpets, new smoke alarms and fire extinguishers, tree surgery and garden maintenance, roof works and other maintenance projects fulfilling lease obligations. They claim that costs incurred were reasonable having regard to urgency, the nature of the defects, and quotations obtained.
20. In support of these assertions the Respondent relied on the accounts disclosed as well as the witness evidence of Mr Groves and Mr Grainger.

The Lease

21. The bundle included a copy of the lease of Flat 25 that is, the Tribunal understands, in a similar form to all other leases at St Georges Lodge. It is dated 10 June 1988 and grants a term of 999 years from 1 July 1982.
22. The Tenant covenants various matters described in clause 5, including at subclause (3) *“To contribute and pay to the Landlord on the 1st day of July in each year in advance the sum of £200 for items (i) to (ix) hereinafter following but in the event that the Tenants one twenty fourth share in any given year of the expense shall exceed that sum to pay the excess to the Landlord within 28 days of accounts being sent to the Tenant at the flat...”*
23. The maintenance matters to be underwritten by the tenant at a 1/24 rate include:
 - a. The drains and drain pumps as qualified
 - b. The road pathways and parking areas
 - c. The recess for dustbins coloured brown on the said plan
 - d. The main structure (including internal dividing walls) of the said garages and the common areas thereof
 - e. Insuring the block & garages
 - f. Providing / maintaining services demanded by a majority of the Tenants
 - g. Maintaining repainting renewing the common entrances porches / staircases

- h. Keeping the garden & maintaining various external areas
 - i. Decorating the exterior of the said flats and
 - j. Maintaining repairing renewing the common television aerial
24. The Tenant further covenants at clause 5(3)(ix) to contribute “...*Fifteen per cent of each and every amount becoming payable by the Tenant under the terms of the foregoing provisions of this clause in respect of the Landlord's administration expenses*”.
25. The freeholder covenants to insure the block as provided for by clause 6(2) which provides: “*At all times during the said term to keep the buildings of which the demised premises form part insured from loss or damage by fire and comprehensive risks in some insurance office of repute in the full value thereof and to make all payments necessary for the above purpose within seven days after the same become payable and to produce to the Tenant on demand the said policy and the receipt for the last payment in respect of the policy...*”
26. The freeholder’s repairing covenants are set out in clause 6 (3) of the lease which states: “... *At the cost and expense of the Tenant as provided in Clause 5 (3) hereof to maintain repair redecorate cleanse and renew those items mentioned in Clause 5 (3) hereof in respect of which the Tenant's contribution is required and if so required by the tenant to produce the accounts in respect thereof.*”
27. The lease also allows the landlord, under clause 7, where the landlord has carried out works of any “... *repairs redecorations or renewals or cleansing or maintenance are carried out by the Landlord it shall be entitled to charge as the expenses or cost thereof its normal and reasonable charges (including profit) in respect of such work before calculation of maintenance expenses as hereinbefore provided*”.

The Evidence

28. The parties submitted written evidence and statements of case as mentioned above.
29. The tribunal heard evidence and submissions from the Applicant in person and from Mr Grove as a witness for the Respondent, who was cross-examined by the Applicant. Ms Amin made submissions in closing for the Respondent. Witness statements were considered from the Applicant, Mr Grove and Mr Grainger.
30. In her evidence, the Applicant detailed her allegation that SGL Owners Association Limited has failed to provide leaseholders with basic information concerning service charge expenditure and governance. She stated that since moving into the property in July 2020 no AGM was held and no service charge

accounts, invoices or supporting financial records were provided to leaseholders. According to her evidence, the only financial information available was a Companies House profit and loss account for 2023 and 2024, which she contended did not satisfy the Respondent's obligations under the lease or the Landlord and Tenant Act 1985.

31. She mentioned requests made during 2025 seeking information about service charge expenditure and the timing of an AGM and that her request made in March 2025 went unanswered for over four months. Following notification of a service charge increase in July 2025, she sought an explanation of expenditure but was directed to Companies House records and was told that her enquiries were outside the scope of the lease and would incur charges, and that the Respondent warned that legal costs could be charged to her service charge account if she continued raising the issues.
32. The Applicant also relied upon events following a preliminary hearing in April 2026 where she considered that the Tribunal had directed the Respondent to provide accounting information and supporting documents. She identified 3 versions of the management accounts and identified significant discrepancies in the management fee figures between them. According to her analysis, later accounts reverted to higher management fee figures after she had highlighted inconsistencies.
33. She also contended that management fees were paid to Ian Grove's company, IGCS Limited, without invoices, agreements or fee calculations being disclosed. She also pointed out that despite Tribunal directions, no underlying invoices, receipts or vouchers had been produced: only internally generated transaction schedules.
34. In his evidence, Mr Grove, a director of SGL Owners Association Limited, responded to the Applicant's challenge to the reasonableness of the service charges. He explained that the service charge accounts had been prepared by the Respondent's accountants, Ward Williams, over a number of years and that the same accounts are submitted to Companies House. He added that no other leaseholder has questioned the accounts.
35. Mr Grove explained that, to address the Applicant's concerns, he had produced a detailed breakdown of service charge accounts for the years 2020 to 2025. These schedules set out annual service charge levels and categories of expenditure, including management charges, cleaning, repairs and maintenance, insurance, accountancy costs and other operating expenses. He stated that the figures were verified by the Respondent's accountants and refers to supporting transaction statements contained in his exhibit IG1. [114-203].
36. He disputes the Applicant's interpretation of the accounts, stating that he has been advised by his accountant that the Applicant's Scott Schedule contains

miscalculations and incorrect totals. However, he does not identify specific errors or provide a detailed rebuttal of the calculations.

37. Mr Grove also addresses the issue of litigation costs. He contends that the lease permits recovery of legal costs incurred in connection with proceedings and argues that, because the Applicant has brought the application while allegedly being in service charge arrears, it would be fair for either the Applicant alone or all leaseholders through the service charge mechanism to bear those costs. He submits that the Tribunal should not determine legal costs where entitlement is governed by the lease.
38. Although not attending the hearing or giving the Applicant the opportunity to cross examine his statement, the Tribunal also considered witness evidence from Mr Philip Grainger, a Director of Ward Williams Chartered Accountants who gave some explanation of the preparation of the service charge accounts for St George's Lodge. He stated that he had responsibility for preparing the annual accounts, including service charge income and expenditure, together with associated costs and fees.
39. He explained that, at the Respondent's request, he had supplied spreadsheets covering the period 2020 to 2025 after the Applicant sought financial information relating to her period of ownership. He says these spreadsheets provide a breakdown of the fees and costs incurred in managing the block.
40. With regard to the Applicant's claims, he stated that the accounts had been prepared using bank statements supplied by the Respondent and that this is the standard accounting procedure used by his firm and that the same approach has been followed throughout the period they have acted for the Respondent. He did not claim to have independently verified the underlying transactions or supporting documentation.
41. He also mentioned that he has not been provided with any detailed explanation of why the Applicant considers the accounts to be incorrect. As a result, he says he is unable to comment on the substance of her criticisms.

The Legal Principles

42. 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.”

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.

Submissions & Analysis

43. The Tribunal thanks the parties and their representatives for their comprehensive and helpful submissions.
44. As a preliminary, the Tribunal points out that its jurisdiction arising from the application is limited to determining firstly whether the sums claimed in the service charge years 2021-2025 inclusive, are reasonable and reasonably incurred having regard to the terms of the lease and the limitations on such charges imposed by law – and secondly whether any order might be made under section 20C of the 1985 Act and/or paragraph 5A of Schedule 11 to the 2002 Act, and under Rule 13 in relation to costs.
45. The Tribunal has considered this scope across all of the claims within its jurisdiction that are set out in the Application.
46. The Tribunal notes that the Respondent does not appear to have produced service charge demands in the format required by the Landlord & Tenant Act 1985, although no point was made in that regard nor challenge in respect of consequent payability.

47. The elements of the Applicant's claim and the parties' submissions on those elements are as follows:

"Landlord's Administration Expenses" and Management Fee

48. Of primary concern to the Applicant is the management fee claimed by the management company from year to year. The amount of the fee is defined in the lease at clause 5(3)(ix) as described above, at 15% of the service charge payable as defined as "*landlords administration expenses*".
49. The Applicant has explained in detail in her evidence that this has been miscalculated. In reply the Respondent sets out [110-112] matters of expenditure for the block for the years in question. The Applicant's share of costs is calculated at 1/24 and management fee is levied at 15% of the expenditure, plus an amount for VAT (at 20%).
50. The Applicant points out that the respondent has given different expenditure figures elsewhere. The Tribunal relies on the evidence given by Mr Groves in his witness statement that is supported by a statement of truth [113].
51. The categories of expenditure defined as "Landlord's Administration Expenses" in the lease comprise the points set out at 23 (a)-(j) above, and as set out in the lease at clause 5. The expenditure detailed in the accounting summaries in Mr Grove's statement are
- a. Rates – it is unclear from the parties' evidence what this relates to or what part of the block is rated as a separate hereditament. The item is however addressed in clause 5(2) of the lease and places a liability on the Tenant at 1/24 plus a management fee share.
 - b. Cleaning - This is a matter of separate concern to the Applicant and is dealt with below.
 - c. Power, Light and Heat – Although not separately identified, this item would also appear to the Tribunal to fall within the liability under clause 5(2).
 - d. Repairs and Maintenance – This is an expenditure within clause 5(3)(i).
 - e. Motor Running Expenses – This does not appear as an item under Clause 5.
 - f. Legal and Professional Fees – This does not appear as an item under Clause 5, although expenses in defined circumstances are provided for under clause 6(4). The parties made no submissions as to whether the recorded expenditure fell outside of that provision.
 - g. Accountancy – This does not appear as an item under Clause 5.

- h. Bank Charges – This does not appear as an item under Clause 5.
 - i. Insurance – This is an expenditure within clause 5(3)(iv).
 - j. Telecommunications – This does not appear as an item under Clause 5.
 - k. VAT – The lease is silent on the applicability of VAT.
52. The Applicant submitted that various of items of expenditure in the accounts should have been covered by the 15% management charge, rather than be charged separately. Notably items relating to administration expenses would, on her view, be intended as included within the 15%. Where charged in addition, they thereby incur a further 15% cost to leaseholders. The Respondent did not provide any evidence specifically to address this argument.
53. The Tribunal agrees with the Applicant's submission on the matter, and its own understanding of the lease terms concludes that where the calculated service charge includes amounts for expenditure not provided for in the lease terms, the 15% management charge may not include reference to that expenditure.
54. In the Tribunal's view, the costs that should not have been charged as service charge under the lease terms, but should instead have been considered to be the Landlord's "*administration expenses*" as referred to by clause 5(3)(ix) are:
- a. motor running expenses,
 - b. accountancy,
 - c. bank charges, and
 - d. telecommunications
 - e. legal costs not incurred within clause 6(4)
55. In addition, applying section 19(2) of the Value Added Tax Act 1994, the 15% management charge should be considered as including any amount of VAT where VAT might be chargeable.
56. The Tribunal concludes that the management charge should have been calculated accordingly in the service charge years in question.

Cleaning Costs.

57. The Applicant contended that the cleaning costs incurred are excessive and suggested that the proper amount annually should be in the order of £1560 rather than the actual charge at more than double that amount.

58. The Respondent did not address this argument but submitted that the costs incurred were as recharged to leaseholders.
59. The Tribunal accepts, that cleaning at the Property could likely be provided at a lower cost, but does not conclude that despite the possibility of a cheaper approach, the costs incurred were, on all the information given to it, consequently unreasonable or unreasonably incurred. The Tribunal determines that the cleaning costs are therefore payable as demanded in each of the service charge years in question.

Repair & Maintenance Costs

60. The Applicant contended that the repair and maintenance costs incurred were not supported by information supplied to her in the form of copy invoices of details of works carried out. This has made her question firstly whether the amounts have been correctly calculated and, secondly, whether the necessary s.20 notifications had been considered in circumstances where they might arise.
61. The Respondent again did not address this argument but submitted that the costs incurred were necessary in each instance and incurred at the amounts recharged to leaseholders and that the accounting process evidenced by the annual summaries prepared by Ward Williams, accountants, were sufficient proof of those costs.
62. The parties did not submit arguments in relation to any specific item of repair or maintenance costs, nor did the Applicant contend that any specific element of it was incurred unreasonably or at unreasonable cost.
63. The Tribunal accepts on a balance of probability that the repair and maintenance costs recharged to leaseholders were, on all the information given to it, reasonable and reasonably incurred. The repair and maintenance costs are therefore payable as demanded in each of the service charge years in question.

Insurance Costs

64. The Applicant notes that insurance cost amounts in the annually produced cost summaries does not match the invoiced amounts. The challenge in considering this assertion is that the “insurance year” (running from 1 May in each year) does not match the service charge accounting year. A further complication is that some insurance invoices include an amount for directors’ insurance (not a matter addressed as a service charge item in the lease). The invoiced amounts for property insurance, as against the amounts recharged subsequently, are:

Insurance Year	Premium	Page	Recharge Year	Recharge amount	Page
2021/22	£3,051.62	[287]	2022	£ 3,133.77	[101]
2022/23	£2,803.56	[264]	2023	£ 3,628.76	[102]
2023/24	£3,351.37	[243]	2024	£ 4,787.39	[103]
2024/25	£4,541.86	[221]	2025	£ 6,750.91	[104]
2025/26	£4,609.79	[215]			

65. The Respondent gave no explanation to the Tribunal for the evident discrepancies between invoiced amounts and recharged amounts, although the Tribunal accepts that some annual adjustment may be justified to align insurance years (1 May in each year) with a service charge accounting year.
66. The Tribunal also accepts on the evidence that the insurance amounts appearing in the service charge annual summaries may have been paid by the Respondent, but on the evidence before it, the Tribunal concludes that the only insurance costs properly rechargeable under the terms of the lease are those relating to the buildings insurance and as evidenced by the insurance premium invoices disclosed.
67. For the purpose of ascertaining the proper insurance costs from year to year to be paid as service charge under the lease, the Tribunal has apportioned rechargeable amounts, for a given year on the basis of 4/12 of the invoiced amount in that year being apportioned to the subsequent year. Applying this approach on the information available to it, to the subject costs, gives the following results.

Service Charge Year	Insurance Properly Payable for Block	1/24 Share
2020	£1,654.55*	£68.94
2021	£3,137.45	£ 130.73
2022	£2,886.25	£ 120.26
2023	£3,168.77	£ 132.03
2024	£4,145.03	£ 172.71
2025	£4,587.14	£ 191.13

* This amount taken to be correct without adjustment.

Legal & Professional Costs

68. As mentioned above, the lease does at clause 6(4) allow the recharging of legal and professional fees where the cost is incurred in order to “*enforce the observance and proper performance of any of the covenants and conditions contained or implied in the leases in respect of the other twenty-three flats and garages*”
69. The annual service charges summarised in Mr Groves evidence identify amounts totalling £2124.20 across the 6 subject years and in respect of which the Applicant is liable to meet a 1/24 share.
70. The Tribunal did not hear any argument to suggest that these legal and professional fees were not recoverable by virtue of being outside of the scope of the lease at clause 6(iv). On the evidence before it, therefore the Tribunal determines that these amounts are reasonable and reasonably incurred and therefore properly payable.
71. In addition, however, the Respondent’s solicitors have invoiced the applicant directly in relation to a number of charges and it would appear from Mr Groves’s evidence, or rather his assertion on the point, that it considers these charges to be recoverable as an administration charge – although it is unclear into which service charge years the Respondent thinks that these costs might be apportioned.
72. The invoices sent to the Applicant directly are as follows
- Dated 29 July 2025 [60] - £591.60,
 - Dated 20 August 2025 [57] - £556.80,
 - Dated 29 September 2025 [54] - £348.00
73. Making a total of £1496.40.
74. On the Tribunal’s understanding of clause 6(iv) these costs would only be recoverable as service charge under the lease in circumstances where the landlord had engaged in efforts jointly with the tenant in order to enforce covenants and conditions setting out obligations on the owners of the other flats in the block. That is not what the Tribunal understands to be the Respondent’s claim on the point and accordingly in the Tribunal’s view therefore, clause 6(iv) does not provide a basis on which these invoiced costs can be recovered as a service charge under the lease.
75. In the Respondent’s submission as set in Mr Groves’s witness statement, it is asserted that these costs are in the alternative recoverable under Schedule 11 of the Commonhold & Leasehold Reform Act 2002 as an administration charge.
76. With regard to Schedule 11 of the Commonhold & Leasehold Reform Act 2002 “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, or applications for such approvals,*
- (b) for or in connection with the provision of information or documents by or on behalf of the landlord or a person who is party to his lease otherwise than as landlord or tenant,*
- (c) in respect of a failure by the tenant to make a payment by the due date to the landlord or a person who is party to his lease otherwise than as landlord or tenant, or*
- (d) in connection with a breach (or alleged breach) of a covenant or condition in his lease.”*

- 77. Such costs are limited to the extent that the amount of the charge is reasonable.
- 78. The invoices appear to be prepared as client invoices and not as service charge demands in the format required by the Landlord & Tenant Act 1985.
- 79. In the Tribunal’s opinion therefore if these amounts were permitted to be recovered to against the Applicant in the absence of an order to the contrary, they would first need to be demanded appropriately and the earliest point at which this could be done would place them into the 2026 service charge year.
- 80. In this case however, as detailed below, the Tribunal makes an order under section 20C of the Landlord & Tenant Act 1985 & Paragraph 5A, Schedule 11 to the Commonhold & Leasehold Reform Act 2002 in relation to such costs as an administration charge.

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Decision

81. In consideration of the above and in relation to the specific items challenged in the application, the Tribunal determines that the amounts payable by the Applicant in each case for the service charge years in issue are as follows:

	2020	2021	2022	2023	2024	2025
Rates	£636.00	£30.00	£30.00	£ 36.00	£ 72.00	£ 37.00
Cleaning	£ 3,615.00	£ 4,677.00	£ 4,612.00	£ 4,588.50	£ 4,109.00	£ 3,357.00
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Legal and professional fees	£306.00	£738.00	£ 600.00	£ 187.20	£240.00	£ 53.00
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Expenditure per flat (1/24)	£881.86	£ 823.75	£ 742.90	£830.80	£911.36	£ 829.47
Management charge @ 15%	£132.28	£123.56	£ 111.43	£124.62	£ 136.70	£124.42
Total due Flat 25	£ 1,014.13	£947.31	£ 854.33	£ 955.43	£ 1,048.06	£ 953.89

Applications under section 20C of the Landlord & Tenant Act 1985 & Paragraph 5A, Schedule 11 to the Commonhold & Leasehold Reform Act 2002.

82. In the application form and at the hearing, 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 signs up to 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.
83. The most significant issue for the Tribunal to determine in this application was the appropriate management fee and insurance costs properly recoverable as service charge under the lease of Flat 25: that is the issue that took up most of the hearing, and to which most of the parties' evidence and preparation was directed.

84. Having heard the submissions from the parties and taking account of the Tribunal's view that the Applicant has succeeded in most of her points of challenge, the Tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act and paragraph 5A schedule 11 of the Commonhold and Leasehold Reform Act 2002, so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the Tribunal through the service charge or as an administration charge.

Costs applications under section 20C of the Landlord & Tenant Act 1985 & Paragraph 5A, Schedule 11 to the Commonhold & Leasehold Reform Act 2002.

85. The Applicant also seeks recovery of her own costs incurred in making the Application - or such proportion of those costs as the Tribunal considers appropriate, on the grounds that the Respondent has acted unreasonably in bringing, defending or conducting these proceedings.
86. She sets out [20-21] the reasons why she asserts the Respondent's behaviour to be unreasonable for the purposes of Rule 13, notably her complaint in relation (inter alia) to:
- a. Threatening her for exercising her rights to challenge the service charge amounts and seek information;
 - b. Failing to Comply with the Tribunal's disclosure direction
 - c. Giving 3 inconsistent versions of the accounts
 - d. Failing to comply with section 20 consultation requirements
 - e. Charging a management fee in breach of the lease in every year
87. She sets out a draft schedule of her costs at [27] in a total of £5450 supported by an analysis of her time spent plus various disbursements.
88. Rule 13(1) of the Tribunal Procedure (First-Tier Tribunal) (Property Chamber) Rules 2013 provides as follows:
- “(1) The Tribunal may make an order in respect of costs only – ...*
- (b) if a person has acted unreasonably in bringing, defending or conducting proceedings in – ...*
- (ii) a residential property case”.*

89. Guidance was given by the Upper Tribunal (Lands Chamber) in Willow Court Management Company (1985) Limited & Others v Mrs Ratna Alexander & Others (2016) UK UT 0290 (LC) as to how the First-Tier Tribunal should in practice exercise the application of rule 13.
90. The Upper Tribunal identified a 3-stage process. The first stage was for the Tribunal to determine whether or not a person had acted unreasonably in bringing, defending or conducting the proceedings. The second stage was for the Tribunal to consider in light of unreasonable conduct that it found whether or not it ought to make an Order for costs. The third stage in the event the Tribunal decided to make an Order was what the terms of the Order should be.
91. The first question for the Tribunal therefore, is whether the Respondent acted unreasonably in defending the application or in its conduct of the proceedings.
92. The question of whether behaviour might be regarded as unreasonable was, as mentioned, addressed by the Upper Tribunal in *Willow Court* (and with reference to the court of appeal decision in Ridehalgh v Horsefield (1994) Ch 205) at paragraph 24:

“An assessment of whether behaviour is unreasonable requires a value judgment on which views might differ but the standard of behaviour expected of parties in tribunal proceedings ought not be set at an unrealistic level. We see no reason to depart from the guidance given in Ridehalgh, despite the slightly different context.

“Unreasonable” conduct includes conduct which is vexatious, and designed to harass the other side rather than advance the resolution of the case. The test may be expressed in different ways. Would a reasonable person in the position of the party have conducted themselves in the manner complained of? Or Sir Thomas Bingham’s “acid test”: is there a reasonable explanation for the conduct complained of?”

93. Further at paragraph 32 when considering the position of represented as against unrepresented parties: *“In the context of rule 13(1)(b) we consider that the fact that a party acts without legal advice is relevant to the first stage of the inquiry. When considering objectively whether a party has acted reasonably or not, the question is whether a reasonable person in the circumstances in which the party in question found themselves would have acted in the way in which that party acted. In making that assessment it would be wrong, we consider, to assume a greater degree of legal knowledge or familiarity with the procedures of the tribunal and the conduct of the proceedings before it, then is in fact possessed by the party whose conduct is under consideration. The behaviour of unrepresented party with no legal knowledge should be judged by the standards of the reasonable person who does not have legal advice. The crucial question is always whether, in all the circumstances of the case, the party has acted unreasonably in the conduct of the proceedings”.*

94. *Willow* made it clear that the Tribunal should not be overzealous in detecting unreasonable conduct after the event. Having regard however to the particular complaints that the Applicant alleges with regard to unreasonable behaviour, and the fact that the Respondent was represented in the proceedings, the Tribunal is not persuaded that the Respondent's behaviour on points (a), (b), (d) and (e) above reach the threshold of unreasonableness according to *Willow*: a party may seek to be robust in its approach to litigation, even if in other fora such conduct may incur adverse consequences under their different costs rules; failure to comply with the Tribunal's directions is regrettable but again will not incur in this Tribunal the sanctions that might apply elsewhere.
95. The Tribunal, however gives no view in this decision as to whether the Respondents have failed to meet section 20 consultation requirements, in the absence of any evidence of a situation in which it would have applied. On this point, the Respondent's seeming inability to produce details of works carried out in terms of scope, commissioning, and payments has put the Applicant at a significant disadvantage in addressing this issue. As no decision is given here on the issue of section 20 compliance, therefore, if the Applicant were to obtain evidence of non-compliance then she would, in the Tribunal's view, be entitled to make a further application in that respect.
96. Further, incorrect charging of the management fee is not, in the Tribunal's view, an instance of unreasonable behaviour, but rather a consequence of its error in correct calculation of the amount.
97. The Tribunal is however persuaded that the Respondent's production of incompatible explanations of costs and calculations in the course of proceedings is unreasonable and meets the *Willow* threshold. In particular, the Tribunal considers that, referencing the test in *Willow*, a reasonable party would not have conducted itself in that fashion and there is no reasonable explanation for not presenting consistent versions of the service charge accounts.
98. The second question that the Tribunal must address is whether or not in light of the Respondent's unreasonable conduct in as described, it ought to make an order for costs. It is clear that the Respondent's behaviour in producing opaque and inconsistent explanations of past service charge expenditure as well as an apparent failure to comply with clause 6(iii) of the lease has resulted in the Applicant being put to very considerable cost, time, and trouble in making her application. Having regard to the scale of that necessary effort, the Tribunal considers that an order for costs should be made.
99. The third question for the Tribunal is what are the terms of the order that it should make. The Applicant seeks an order for costs estimating the time engaged in her dealings with the matter which, in the view of the Tribunal, having regard to the paperwork and the amount of time spent on each issue that is a reasonable estimate of the time and disbursements required. Since the Respondent's unreasonableness relates to one aspect of the matter (point (c)) rather than across

all of the points complained of, the Tribunal decides that a proportion of the Applicants costs should be paid rather than all of her costs.

100. In the Tribunal's view the appropriate and fair proportion of the calculated costs sufficient to reflect the unreasonable behaviour identified, is one-third of the total of £5450. The Tribunal orders the Respondent to pay to the Applicant within 21 days of the date of this decision its costs in the amount of £1816.67.

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).
