FIRST - TIER TRIBUNAL

PROPERTY CHAMBER

(RESIDENTIAL PROPERTY)

Case Reference	:	BIR/00CT/LSC/2025/0008
Property	:	26 to 63 White House Green Solihull West Midlands B91-1SP
Applicant	:	White House Green Apartments Association ("the Association") the membership of which includes the 24 leaseholders of the Property
Representative	:	Mr John Muffet (Secretary the Association)
Respondent	:	Taylor Wimpey (Landlord)
Representative	:	Mr David Nuttall of Counsel Gowling WLG LLP Solicitors
Type of Application	:	An application under Application under Ss 27A & 20C Landlord and Tenant Act 1985 And Schedule 11 para 5A Commonhold and Leasehold Reform Act 2002
Tribunal	:	Judge P.J Ellis. Tribunal Member Mr W Jones FRICS Tribunal Member Ms Sabrina Sahota
Date of Hearing	:	24 September 2026
Date of Decision	:	30 October 2026

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DECISION

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The Tribunal has found two items were unreasonable as appears from the Schedules.
The itemised determination of the Tribunal is recorded on the Scott Schedules Annexed to this Decision

Introduction and Background

1. This is an application under s27A Landlord and Tenant Act 1985 (the Act) for determination of the reasonableness and payability of service charges for years 2021-22, 2922-23 and 2023-24. The Applicant has also asked for determination of the costs of the proceedings under s20 of the Act and Schedule 11paragraph 5A Commonhold and Leasehold Reform Act 2022.

2. The Applicant is an unincorporated association of leaseholders of apartments 26-63 White House Green Solihull, (the Association). The Respondent is the long leaseholder of White House Green Solihull (the Estate) which includes 23-63 White House Green (the Block).The Association is recognised by the Respondent.

3. The Respondent was represented by Mr David Nuttall of counsel instructed by Gowling WLG solicitors.

4. The application was issued in January 2025 . Directions were issued on 11 April 2025 directing a case management conference which took place on 23 April 2025 with further short directions appointments in July and November 2025. The matter was heard at an in person hearing on 24 September 2026. At the case management conference on 23April 2025, the Tribunal identified the following issues for determination:

- Survey fees (including those charged for a Long-Term Maintenance Plan)
- Ground maintenance (including arboriculture work and road salt)
- Health and Safety checks (fire alarms, fire doors etc)
- Risk Management fees
- Out of hours services
- Reserve Fund contributions
- Management fees (including accountancy and audit fees)
- Administration charges
- Whether an order under section 20C of the 1985 Act and/or paragraph 5A of Schedule 11 to the 2002 Act should be made restricting the Respondent from recovering the costs of this litigation through the service charge or from the leaseholders pursuant to any contractual obligation in the lease.

5. The Tribunal further directed that the following issues were not within the jurisdiction of the Tribunal to determine:

    - Refunds of charges
    - Accountancy and bookkeeping methodology and practice (save where relevant to the reasonableness of disputed management fees).
    - Compensation for breach of landlord's contractual or statutory obligations.
    - Orders for specific performance of landlord's contractual or statutory obligation
    - Orders for an independent audit of the accounts.

The Property

6. The property comprises 24 No. 2 Bedroom purpose-built flats in 4 blocks of 6 flats each along with 32 garages set in landscaped grounds.

The Leases

7. The Tribunal was supplied with one sample lease 47 White House Green which was common to all leaseholders. The lease is an underlease dated 18th May 1966 made between (1) Bryant Homes Limited and (2) Charles John Barton annexed to the lease dated 6 January 2006 made between (1) The Metropolitan Borough of Solihull (2) Taylor Woodrow Developments Limited and (3) (the "Underlease").

Statutory Framework

8. Sections 18-30 of the Act provide the statutory framework for regulation of service charges payable in return for the procurement or delivery of of services required under a lease. In this case ss 18 and 19 are relevant. Section 18 provides:

(1)In the following provisions of this Act "service charge" means an amount payable by a tenant of as part of or in addition to the rent—

(a)which is payable, directly or indirectly, for services, repairs, maintenance 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 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.

Section 19 provides: (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

The Format of the Hearing

9. A significant part of the time at the hearing and in the Applicants' written submissions related to the Respondent's bookkeeping, the service charge accounts and the treatment of electricity charges in the service charge accounts notwithstanding the direction issue by the Tribunal in April 2025.

10. The Tribunal and Mr Muffett on behalf of the Applicants agreed with Mr Nuttal suggestion at opening of the hearing that both items should be taken first as it was common to all years of service charge raised by the Applicants in their Scott Schedule. Accordingly, the Tribunal invited Mr Nuttal to call his witnesses and make his submissions first.

The Parties evidence and submissions

11. Mr Andrew Cleverley gave evidence on behalf of the Respondent. He is employed by Principle Estate Management as service charge accounts team leader overseeing service charge accounts. Principle Estate have managed Taylor Wimpey's property portfolio and service charge accounts since June 2020. He was responsible for the White House Green Estate service charge account from 2023 until the appointment of Inspire Property Management on 25 January 2025.

12. He confirmed his written evidence in his statement with supporting schedules served in response to the Tribunal's Directions. He then gave evidence relating to the treatment of electricity charges in the accounts which formed the basis of service charges.

13. At the relevant period the electricity supplier was SSE. Their bills are rendered on a quarterly basis and loaded onto Principle's computer. SSE also rendered statements of accounts. Invoices are paid from the service charge

bank account which is not dedicated to the block the subject of this application. Estimates of electricity consumption are included in service charge budgets but credits are based on metered usage.

14. In his written statement he said "*SSE do not always provide timely invoices for charges that are then later included on a statement of account. In these instances, rather than allow the account to continue to go further into credit, Principle Estate has made payment to clear the sums due on the account.*"

15. He further indicated that SSE's invoicing system does not allow Principle Estate to request 12 monthly invoices for the service charge year. However, he was satisfied Principle Estate has made all payments due to SSE through proper invoices and/or statement of accounts (where applicable) and they are accurately reflected in the service charge accounts.

16. He was then asked by Mr Nuttall to explain the meaning and effect of using a portfolio of properties to acquire electricity. He explained that typically a portfolio will include more than one development. White House Green had a separate meter from which bills were calculated. The portfolio had the benefit of cheaper prices, but it was not possible to obtain electricity from another supplier without ending the use of the portfolio.

17. In answer to questions from Mr Muffett on behalf of the Applicants he agreed that he does not balance the accounts until the end of the year. Principle receives a bank report showing all payments and receipts which is not broken down to the blocks comprising the estate. He cannot produce bank statements for the subject block because the report relates to all properties in the portfolio but when an invoice is paid it is assigned to the relevant block.

18. Mr Cleverley was cross examined extensively by Mr Muffett regarding apparent anomalies in the record of payments. Mr Cleverley agreed some invoices were recorded in the service charge year following the supply because an invoice was rendered at the end of a billing quarter which coincided with the service charge year end resulting in an accrual. If there were any credits on

the electricity statements they were dealt with by the broker responsible for negotiating the portfolio supply agreement.

19. In answer to a question from the Tribunal Mr Cleverley said there is no policy of resetting an account to clear credits. Any significant credit could have arisen from multiple accounts. He also confirmed reports are created on invoices not statements to ensure accurate recording of expenditure. All invoices are verified, logged and compared to budget.

20. Mr Muffett suggested to Mr Cleverley that when or if there are errors on the account they will be picked up and removed.

21. In answer to a further question Mr Cleverley asserted the leaseholders are only paying for their consumption of electricity because the supply is controlled by the meter. Also, leaseholders have invoices to see what charges are raised.

22. Mr Nuttall then called Ms Neelam Samra, an Associate Director of Principle Estate Management. In her role, she is responsible for managing the client's property portfolios which include managing their service charge accounts and services provided. Ms Samra confirmed her witness statement.

23. Ms Samra described how she works with utility brokers in negotiations for electricity supply. Although there is a risk that the debts of one property will have an adverse effect on the overall price of electricity the advantage is that the broker is able to achieve a better price than Principle could if it was negotiating on behalf of each individual block/property. Recently there had been a change of broker in order to get a better price for leaseholders. She approved payment for electricity supply against invoices rather than statements because an invoice records usage for a period which is not the case with statements of account. Any credits on an account can change over time. When they feel it is time to review credits the broker will deal with the supplier on their behalf.

24. Mr Muffett put to Ms Samra a letter from Mr Adam Edwards to the Applicants whose evidence was that Principle was not getting the best price. Ms Samra responded that the basis of Mr Edwards calculations was not known. It was not possible to take the block out of the portfolio. It was her understanding that there was debt in the portfolio preventing a change in supplier.

25. Mr Muffett raised an allegation of overcharging by the Independent Accountant based on a difference between actual and budget cost. Ms Samra explained that the estimate of charges may relate to a period which is different from the period of service charges. He alleged that the overcharge was a breach of the lease. Ms Samra denied there was an overcharge but asserted any overcharge would result in a credit.

26. Having heard the evidence relating to the electricity charges which included extensive examination of the accounting treatment of the charges the Tribunal reviewed the Scott Schedule and the parties' respective cases.

Scott Schedules 2021-2022

27. Item 1. Utilities Overcharge: The Applicant's claim that there was excess charging was based upon two propositions:

    i. First a written report from Adam Edwards of EAC Utility Services an independent consultant. Mr Edwards was not available on the day of the hearing to give evidence. The Respondent objected to the Tribunal accepting the untested evidence of the witness. However, as the schedule produced by Mr Edwards was the only comparable evidence adduced by the Applicant the Tribunal decided to admit it. In the event the evidence was not helpful. The comparison was with only one alternative supplier; it relied on separating the block from a portfolio method of procuring supply and calculating the consumption for each year from the copy invoices supplied by SSE.

ii. Second there was a recurring theme that utility accounts had not been properly recorded in the accounts.

The Tribunal was not satisfied that either proposition was sufficient to support the Applicants contention that the electricity charges were not reasonable or payable. The accounting proposition was based upon a misapprehension of the method of accounting used by the Respondent. As far as the comparable evidence was concerned the Tribunal was satisfied the use of a portfolio method of procuring a supplier was reasonable.

28. Iten 2.Management Fees & Charges above budget: The claim relates to Independent Accountant fees of £166.00; Fire Risk of £12.00 and Land Registry Charges of £24.00. The Respondent explained the variation from budget in accountancy fees occurred as a result of the timing of budget of budget and receipt of estimates of fees from the accountant. The fire risk of £12.00 was evidenced by the invoice for a fire alarm test. Land registry fees have been credited to the leaseholders. The Tribunal is not satisfied these claims are unreasonable. An account over budget does not render it unreasonable. The complaint is not that the charge was unreasonable, only that variations from budget should be notified to leaseholders. Performance of the fire safety test was demonstrated by the invoice.

29. Item 3. Standard of Accounting. The Applicant seeks a deduction of 10% for alleged failure of standards to meet those the RICS recommend. The claim is rejected by the Tribunal. The Applicant's complaint was not justified either in written submissions or at the oral hearing. The Tribunal had made clear accounting methodology is not within its jurisdiction. The Applicant tried a different approach by referring to professional standards. This Tribunal is not satisfied that the accounts were so badly prepared as to fall below the standards required by a managing agent.

30. Item 4. Standard of Accounting 2. The claim was for incorrect entries for the Reserve Fund; Incorrect accounting; Over budget charge of accounts preparation which together were valued by the Applicant at £435.00 by deducting 50% of the accounts preparation fee, 20% of Independent

Accountants fee and £166.20 excess over budget. The Tribunal rejects each of these claims. They did not lead to any unreasonable charges payable by the leaseholders. Moreover, the accounting method employed was not shown to result in any unreasonable charges.

31. Item 5. Loss of Interest, claim £40.00. This claim is an unsubstantiated estimate allegedly resulting from an alleged breach of the lease by failing to open a bank account. A claim for breach of the terms of the lease is outside the jurisdiction of the Tribunal but in any event the claim is too uncertain to amount to any unreasonable item of charge.

32. Item 6 Accounting Error Claim £250.00. This claim is an alleged casting error in the accounts not giving rise to any item of charge which is unreasonable.

33. Item 7. Accounting Error 2. Claim £118. This an allegation of an invoice for tree work being double counted. There is no challenge to the value of the invoice itself. Item rejected. The allegation of double counting was not made out but in any event the Respondent's evidence was that any such errors are resolved when year end balances are settled when any double charge would be corrected.

34. Item 8. Accounting error 3. Claim £576. This claim arises from an apparent discrepancy between the sum shown in the bank report for management fees of £6624,00 but in the end of year accounts the managing agents fees are shown as £6048.00 This is an accounting matter. It is not a new challenge to the reasonableness of the agents' fees claim rejected.

35. Item 9. Surface water drainage work. £1874.00. There is a problem with drainage of surface water in part of the grounds of the estate. This invoice is from a contractor nominated by the Applicant whose investigations were unsuccessful in resolving the problem. The cause was later identified as a defective valve on a domestic boiler allowing an escape of water. The Applicant's challenge was based on the lack of success by their nominated

contractor rather than that the charge was unreasonable per se. Claim rejected.

36. Item 10. Aston Lake Insurance charges. This claim is based on an allegation that use of the Reserve fund to pay the premium was improper. This is another claim relating to accounting or potential breach of the lease. It falls outside the jurisdiction of the Tribunal.

37. Item 11 Smoke Detector testing £125,70. This claim arises from an allegation that smoke detector testing is an unnecessary charge. The challenge is not to the fee but to the need for the work. The Respondent contends such testing is a reasonable thing to do and is recommended by the Fire Risk Assessors. The Tribunal is satisfied the need for testing and the sum are reasonable.

Service charge year 2022-2023

38. The Parties agreed the issues relating to charges in this year and 2023-2024 were substantially the same as in 2022-2023. Accordingly, the Tribunal's decision is the same for succeeding years and briefly noted.

39. Item 1. Utilities Over charge. Claim estimated at £1566.00. This claim is based on the Applicant's contention that use of a portfolio results in additional cost to the leaseholders. The Tribunal has rejected this claim because the comparable has not supported the claim of unreasonableness of charge on the part of the Respondent's use of portfolio or the supplier's charges.

40. Item 2 Management Fees charged above Budget £248.00. Claim rejected.

41. Item 3 Standard of Accounting 2. £118. Claim withdrawn.

42. Item 4 Standard of Accounting 1. £701.00 Continuing claim of not properly recording accounts for Service Charges. Sum based on 50% of fees. Claim rejected because the Applicant has not established that the record keeping falls below professional standards.

43. Item 5 Standard of Accounting 3 No figure claimed. This claim relates to the upgrade of the intercom and door entry systems. The Applicants are not questioning the four invoices presented and booked on the accounts system but about the way the invoices were treated in the accounts. Claim rejected.

44. Item 6. Standard of Accounting 4. Incorrect booking of tree work, professional charges and leaseholder payments. £1940. The accounting method is again the basis of the claim. There was no challenge to actual charges. Claim rejected.

45. Item 7. Standard of Accounting 5. Unspecified management charge entered in August. £437.00. Two items of charge (£18 & £119) relate to over budget charges dealt with earlier. The Applicant was concerned there was a leakage of fees or charges incurred by the Respondents property sales agency into the management accounts. The allegation was not substantiated. Claim rejected.

46. Item 8. Out of Hours Charges. £820. The contractors' charges for providing the service are not challenged but the oncosts of 10% by the managing agent are challenged. The challenge lacked sufficient substance to rebut the Respondent's contention the oncost was reasonable. Claim rejected.

47. Item 9. Unreasonable Charges. Reasonable Inspection of 4 Fire Doors by National Fire July 2023. In 2025 Inspire Property Management received a quote for fire door inspection of £248 plus VAT. The Tribunal considers the charge of £669 unreasonable and excessive. It reduces the sum to £250.00 plus VAT.

Service Charge Year 2023-2024

48. Item 1 Utility Charges £2,250.00. The allegations of booking unreasonable costs to the service charge accounts and keeping incoherent records relating to utility charges continue to this year. The Applicant is unable to quantify a claim based on the unreasonableness of these charges and proposes a quasi-compensation sum of £750. The Tribunal is not satisfied any claim is made within its jurisdiction.

49. Item 2. Management Fees above budget. In the rejoinder to the Respondent's reply to this claim the Applicant accepts that matters relating to Accountancy and bookkeeping methodology are outside the jurisdiction of the Tribunal but proposes that the agents have fallen below the standards required relating to procurement, oversite of contractors, price variations and keeping good records. In his submissions Mr Nuttall accepted that managing agents' fees might be challenged if the quality of service is so woeful as to justify a review of the reasonableness of their charges. In this case the Applicant has carefully and in detail reviewed all items of expenditure but few of them have been challenged within the parameters of s27A of the Act. It is apparent that the Applicant contends the managing agent has ignored complaints about their want of attention to leaseholders concerns but after a long hearing and review of a substantial number of documents from both sides the Tribunal is not satisfied that the agents have fallen below the standards required of them. This item is rejected.

50. Item 3 Quoted Price overcharged for H & S and Fire Reports. £188.00. There is a dispute whether there was a quote or an estimate for the work. If a quote then the bill is overcharged by £188.00.

51. Item 4. Standard of accounting 1. Administration Charges. Lease permits such charges. Not unreasonable. Claim rejected.

52. Item 5 Standard of accounting 2. Same as item 50 above. Claim rejected.

53. Item 6. Standard of accounting 3. Continuation of Bank Reports. Bookkeeping or accounting methodology. No claim.

54. Item 7 Standard of accounting 4. Excessive Charge for Fire Doors Inspection. Claim allowed. See paragraph 46 above.

55. Item 8 Standard of Accounting 5 Duplicate charge for tenant Salt purchase. Claim £41. Already refunded.

56. Item 9 Poor Accounts Record Keeping. Compensation claims £2336.00. This is a claim made from proposed percentage reductions of accountants and management fees without more explanation. Unreasonableness of charges not demonstrated. Claim rejected.

Discussion and Decision

57. In his skeleton argument Mr Muffet identified what he saw as the key matters for the Tribunal's determination. Item one was the Agent's failure to open and maintain a bank account for the development. He then referred to further items of accounting, budgeting or bookkeeping. There were few items of actual charge for determination as appears from the Scott Schedule and this Decision. The case has arisen because Mr Muffett has not found the bookkeeping methodology used by the managing agents easy to understand. Several times in written submissions the Applicant acknowledges that the items of charge which go into the service charge accounts are not of themselves challenged. There are some specific items of charge which have been considered and determined but much of the time taken on this case involved a hunt round the accounts to identify the casting of items of charge.

58. Mr Nuttall on behalf of the Respondent properly challenged the jurisdiction of the Tribunal to determine the items of claim which were simply complaints about accounts and bookkeeping. Although he referred the Tribunal to the recent case of *Spender v Fit Nominee [2026]1WLR2536* when Zacaroli LJ said at para 37 "*The argument of the landlords that the focus of inquiry was solely on the landlord's decision-making process was rejected (paras 28–33). Whether costs have been reasonably incurred is not simply a question of process: it is also a question of outcome (para 37)".* Mr Nuttall conceded there may be circumstances in which the work of the managing agent was so woeful as to justify a reduction in fees he maintained this was not such a case. The bookkeeping methodology had not led to any unreasonable item of charge.

59. Notwithstanding the Applicant's apparent frustration the Tribunal has not found the accounting system or the banking reporting or the agents

management of procurement and delivery of services sufficiently woeful, to use Mr Nuttall's word, to justify a review of the management and accountancy charges nor are the few specific charges challenged by the Applicants unreasonable. For this reason, the Tribunal has found only two items were unreasonable as appears from the Schedules.

60. The itemised determination of the Tribunal is recorded on the Scott Schedules Annexed to this Decision.

Appeal

61. If either party is dissatisfied with this decision they may apply to this Tribunal for permission to appeal to the Upper Tribunal (Lands Chamber). Any such application must be received within 28 days after these written reasons have been sent to the parties (rule 52 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013).

Judge P.J.Ellis

i. `

Ref: BIR/00CT/LSC/2025/0008 **White House Green Apartments Association -v- Taylor Wimpey Developments**

Premises: Flats at 26 to 63 White House Green, Solihull **Service Charge Year 21 -22 Scott Schedule**

	Evidence file reference	Heading	Description	Nature of Claim	Value	Respondents Reply	Applicant's Reply	Tribunal use
1	21-22/1	Utilities Overcharge 2021/22	A continuous failure to properly record and account for the Utility Charges	The Agent failed to provide all documents Relevant to the Examination of the Documents. The Financial reports issued and the EOY Accounts were found to be inconsistent.	See Reply to Pre-disclosure Pack. Unable to calculate value until Statements are provided for each meter.	The Respondent denies that it has failed to provide all documents relating to the provision of utilities. The Respondent also denies that it has failed to record and account for the utility charges. The Respondent will rely on the witness statement of Neelam Samra and appended schedule.	The respondent has not provided a continuous statement of account as issued by SSE Energy for this financial year. The respondent has not explained the variation in the reported costs as shown in the original submission of evidence. The Respondent has not demonstrated that the credits shown in the SSE provided quarterly bills have been returned as credits to the Service charge account. The evidence provided by the Applicants has not been shown as incorrect. We will rely upon what documentary evidence has been provided and what has not been provided	Claim rejected for reasons given in paragraph 26 of the Decision The accounting proposition was based upon a misapprehension of the method of accounting Tribunal was satisfied the use of a portfolio method of procuring a supplier was reasonable.
2	21-22/2	Management Fees & charges above Budget or not Service Charge Items	1 Independent Accountants Fees £166.20 2 Fire Risk Assessment £12 3 Land registry Charges £24.60	1 Increased charge above budget without notification or clarification. 2 There was no fire risk assessment undertaken 3 Land Registry Charges are part of the management Fee	202.80	1. All Management Fees charged above the stated budget have been refunded, please refer to appended evidence at Tab 2. We refer to the penultimate line. The Respondent's position is that if a charge is above budget, it is not necessarily unreasonable. The Applicant is put to proof. 2. The works carried out were a Fire Alarm Test, the costs of which are recoverable under the Service Charge. We append a copy of the invoice at Tab 3. The Respondent denies the cost is unreasonable. The Applicant is put to proof. 3. The Applicant has not provided fully particularised its claim as to the charges referred to. The Respondent believes that all land registry fees have been credited to the leaseholders – see line 2 of the 2022/2023 service charge year Scott schedule. The Respondent reserves the right to reply further.	1 We have seen the indication of the refund of the Management Fee, but that relates to year 23-24 only. The over budget charge in 21-22 relates to the Independent Accountants fee which fall within the Management professional fee schedule. The respondent has not shown evidence of why there is an over budget charge nor why it may be considered reasonable. 2. We agree that any charge that is above budget could be 'Reasonable" however we believe that each charge which attracts addition income to the agent that need to be above the budget set by the agent using reasonable experience and skill, should be brought to the awareness of the Recognised Association, should be justified by demonstration of additional costs to the agent (or contractor) The agent is obliged by the RICS codes of Practice to use skill and experience when setting budgets using the previous accounts as a guide. Therefore we propose that the continuous use of over budget charges for the agent and independent accountant was negligent and unreasonable. The Respondent is put to prove otherwise 3 The attached invoice Tab 3 is not identified as for Detector testing but	Claim rejected for reasons given in paragraph 27 of the Decision An account over budget does not render it unreasonable. The complaint is not that the charge was unreasonable, only that variations from budget should be notified to leaseholders. Performance of the fire safety test was demonstrated by the invoice.

							changing a battery an entirely different task see also item 11 of this schedule 4 If the respondent calculates the charges and refunds shown in the bank reports (as provided in our initial evidence pack) they will see that the total charged does not match the total refunded.	
3	21-22/3	Standard of Accounting 1	The accounting standard does not meet the RICS recommended Tech 03/11 resulting in unreasonable charges	1 There are continuous anomalies between the information provided 2 The Agent did not establish a Reserve Account until September2023. 3 Made Improper Administration Charges.	10% of Management Fee - £590	The Applicant has failed to substantiate or quantify the improper administration charges. We refer to paragraph (7) the Order of DJ Barlow dated 24 April 2025 (as reissued on 28 April 2025) and we do not believe accountancy and bookkeeping methodology and practice is within the jurisdiction of the Tribunal to determine and the Respondent has not replied on that basis. Should the Tribunal disagree, the Respondent reserves its right to reply further.	1 & 2 The Respondent has not shown compliance with the accounting standards applicable to service charge accounts. Relevant extracts from the RICS Code of Practice were included in our evidence bundle. The Respondent was required to establish bank accounts for service charges held in trust by or on its behalf, and it is strongly recommended that a separate bank account be maintained for reserve funds. We rely on Schedule 7, paragraph 2, page 11 of the Lease, and section 10, page 6 of the agency agreement between the Respondent and the Agent, in particular clauses 10.1, 10.2 and 10.5 concerning the payment of interest. 3 The administration charges are identified in the interim claim schedule, which formed part of the complaint process before the Agent refused to participate. That document is included in this bundle. Ref xxx	Claim rejected for reasons given in paragraph 28 of the Decision This Tribunal is not satisfied that the accounts were so badly prepared as to fall below the standards required by a managing agent.
4	21-22/4	Standard of Accounting 2	Ditto	1 Incorrect entries for the Reserve Account 2 Incorrect Accounting for Schedule 2 and the surplus of £280 3 Over budget charge for Independent Accountant's fee	50% of Accounts Preparation Fee and 20% of the Independent Accountants fee and overbudget charge £166.20 Total £435.20	The Respondent denies that the charges incurred are unreasonable, if that is alleged. In response to the allegations of incorrect entries: 1. The Respondent denies that there are incorrect entries on the Reserve Account. The surplus balance was credited to the Reserve account. 2. The Schedule 2 Accounting is correct as eight leaseholders pay for garage maintenance. In 2021 / 2022 those maintenance charges totalled £280, but no costs were incurred. We refer to line which shows the surplus has been credited back to the leaseholders in the 2021/2022 accounts. 3. The independent accounts fee was budgeted and the Respondent denies that the charge incurred was unreasonable. The Applicant has failed to substantiate the reason why they believe the figure is unreasonable. The Applicant has failed to explain on what basis the value of the loss is calculated and the Respondent repeats that it believes that the Tribunal does not have jurisdiction to deal with any issues relating to the standard of accounting used. Should the Tribunal disagree, the Respondent reserves the right to plead further.	1 The comparison of the values shown in the various financial reports including the Reserve Account Report have clear differences between them and the EOY accounts and between the EOY accounts and the budget values. As it has been admitted that there was no standalone reserve account, only the service charge account which was shared with other properties, any reporting on reserve movements loans repayments and value are in fact a fiction established and maintained by the Agents accounts team. 2 Whilst we are happy to see and accept the surplus for the 2nd garages returned to the leaseholders our complaint was that that refund was not immediately clear in the EOY accounts (Notes to the Accounts). 3 Please refer to 21-22/3 item 2 above The independent accountants fee we understand is a tariff set annually and charges on the number of unit in each property. We also understand the term 'Budget'. We propose that as the Budget was exceeded each year some questions should have raised by the Respondent to ensure the Agent had questioned the cause and approved the increase. The answer its only a "Budget" is neither professional or Reasonable 4 Each year there were various increases in the base charges for both management fees and Accountancy charges and each year some or all of the budget estimates for the year was exceeded. From 20/21 and 21/22 we have	Claim rejected for reasons given in paragraph 29 of the Decision The Tribunal rejects each of these claims. They did not lead to any unreasonable charges payable by the leaseholders. Moreover, the accounting method employed was not shown to result in any unreasonable charges.

							shown that the Independent Accountant lowered the Standard of Inspection below that set in the RICS Codes of Practice, That un-notified lowering of standards is considered unreasonable. We believe this was contrary to the Lease and the regulations affecting Service charge account and falls within the consideration Of DJ Barlow's criteria issued with the Judges Directions. Our claim identifies that we request the Tribunal's consideration on the amount of claim that both recognises failures of Management, book-keeping and Accountancy and is reasonably proportionate	
5	21-22/5	Loss of Bank Interest	Bank Interest not paid between 2020 and 2023	Agent has refused to provide evidence of NatWest interest rates only issuing a rate in 2024	Estimated Loss £40	The Respondent does not believe this relates to the reasonableness of the service charge and therefore is not within the jurisdiction of the Tribunal. If the Tribunal disagrees, the Respondent reserves the right to reply further.	The matter of the payment of Bank interest is clearly defined in the Lease; the Agency Agreement and the COP for service charge management. The failure to establish a Reserve Bank Account as per the Lease , the Agency contract and the Codes of Practice which resulted in a loss to the Service Charge account that as a consequence had an impact on the Service Charge calculations is we propose within the remit of the Tribunal	Claim rejected for reasons given in paragraph 30 of the Decision A claim for breach of the terms of the lease is outside the jurisdiction of the Tribunal but in any event the claim is too uncertain to amount to any unreasonable item of charge.
6	21-22/6	Accounting Error 1 in Bank Report	Leaseholder payment booked into Debit column not Credit Booked on 6th April 2022	Uncorrected error entry	£250	The Applicant has failed to sufficiently particularise its claim. The Respondent reserves the right to reply further.	In our evidence bundle we have included financial reports (which, without Bank Statement we have to rely on) which clearly shows the Lease holder payments are booked as charges against the accounts not credits. Therefore the loss to the service charge account is double the entry value in each instance	Claim rejected for reasons given in paragraph 31 of the Decision This claim is an alleged casting error in the accounts not giving rise to any item of charge which is unreasonable.
7	21-22/7	Accounting Error 2 in Bank report	Charge for Tree work double booked April 22 and Mar 2023	Uncorrected error entry	£118	The Applicant has failed to sufficiently particularise its claim. The Respondent reserves the right to reply further.	In our evidence bundle we included evidence of a duplicate entry for tree work	Claim rejected for reasons given in paragraph 32 of the Decision The allegation of double counting was not made out, any such errors are resolved when year end balances are settled when any double charge would be corrected.
8	21-22/8	Accounting Error 3	Management Fee Booked in Bank Report quarterly in advance at £1656 Annual cost £6624	Shown in EOY Accounts a £6048. Overcharge at Bank	£576	The bank report is a report which shows the transactions in any given account. That report is entirely separate from the service charge accounts which shows all charges that have been charged to the leaseholders. Notwithstanding the above, the Respondent repeats that it believes that the Tribunal does not have jurisdiction to deal with any issues relating to the standard of accounting used. Should the Tribunal disagree, the Respondent reserves the right to plead further.	The Bank Report is the financial instrument that the Agent used to inform the Leaseholders of financial transactions; without a stand alone Bank Account details being available to us, this report must be relied on. The data in the Bank report is also the basis of information for the independent accountant and cannot be entirely separate. The expenditure in one report should match the expenditure in the EOY accounts, the only variations occur in the Accruals and prepayments shown on the balance sheet. The fees should be consistent. The Applicant notes that the Respondent has failed to	Claim rejected for reasons given in paragraph 33 of the Decision This is an accounting matter. It is not a new challenge to the reasonableness of the agents fees claim rejected

							provide any financial record of the transactions in the SC account on any document produced by the NatWest Bank. Nor has the Respondent identified which Bank transactions were checked each year. These checks should be available to Leaseholders when requesting examination of the relevant documents	
9	21-22/9	Surface Water Drainage lawned area at junction Block C & D	The solution to surface water accumulation at the junction of Blocks C & D did not work. The Agent, acknowledged the failure, but refused remedial action or refund	Unreasonable Charge for work improperly Specified and carried out. Not Fit for Purpose	£1642 plus interest at 4.5% p/a is £1874	The Respondent denies this charge was incurred unreasonably and the Applicant has failed to properly substantiate why the charge is unreasonable. We append an invoice at Tab 4 outlining the costs incurred. Notwithstanding this, the Respondent further notes that soil works and new drain pipework was installed to rectify the issues and that the no further issues persist.	This issue has significance that may involve the Consumer Rights Act and will be responded to on a separate document. Please recall that the Agent has admitted that the work did not provide a solution to the surface water build up and that pre work soil testing was not carried out. The respondent has not provided the original report upon which the work specification was instructed, the Applicant have a copy and this is included in this reply. The Respondent also claims that no further issues persist, but does not state how that is known. We ask does the Respondent know that the cause of the surface water leakage was later discovered as a defective safety valve on a domestic boiler that had remained undiscovered until the nearby planting was removed as a gardening project. The drainage installed remains dry and was infact entirely unnecessary, due to an Inadequate investigation by the Agent and contractor. The contractors invoice is not evidence that the task was undertaken with due care and expertise and is therefore claimed as being an unreasonable charge See additional documents and images in this reply pages x to z	Claim rejected for reasons given in paragraph 34 of the Decision The Applicant's challenge was based on the lack of success by their nominated contractor rather than that the charge was unreasonable per se
10	21-22/10	Aston Lark and Insurance charges	Unable to reconcile charges in Expenditure and Bank reports with EOY Accounts.	The miss use of the Reserve Fund to pay Insurance Premium Invoices and other Transfers is not in compliance with the Lease and Regulation	Tribunal consideration	We refer to paragraph (7) of the Order of DJ Barlow dated 24 April 2025 (as reissued on 28 April 2025). We do not believe accountancy and bookkeeping methodology and practice is within the jurisdiction of the Tribunal to determine and the Respondent has not replied on that basis. Should the Tribunal disagree, the Respondent reserves its right to plead further.	The Respondent has continuously provided a variety of charges and payment information regarding the account for the Landlords Insurance (including 'Loans" from the Reserve Account). The respondent has not explained the variations in the reported costs as shown in the original submission of evidence. We ask; why did the agent move the renewal date from 25th March, and why for a single invoice p/a was necessary to 'crowd' the report with excessive data?	Claim rejected for reasons given in paragraph 35 of the Decision This is another claim relating to accounting or potential breach of the lease. It falls outside the jurisdiction of the Tribunal.
11	21-22/11	Smoke Detector Testing	The Testing of Smoke Detectors is not a Statutory Requirement. The Respondent although making charges has no recorded evidence that any testing took place	An Unnecessary Charge, stopped after complaint, but restarted in 2023 this claim for all years.	£125.70	The Respondent denies that the Smoke Detector Testing is an unreasonable charge. We refer to the list of Actions provided by the Fire Risk Assessors at Tab 5 which shows that the Smoke Detectors should be routinely tested.	The content of our Evidence bundle showed that a variety of authorities were clear that smoke detectors are not a statutory item in purpose built flats of under 9mts with a Stay Put policy, as is White House Green. The documents provided by the Respondent do not mention smoke detector testing, as the agent themselves undertook no testing for an extended period. When the billing recommence in favour of the Cleaning contractor it was objected to but persisted by the agent. We have identified that no record of any testing was kept as would be necessary if this was a Statutory Obligation nor could the agent demonstrate that testing took place by virtue of any report from the contractor. When the Association undertook an inspection and test it was found that the	Claim rejected for reasons given in paragraph 36 of the Decision This is another claim relating to accounting or potential breach of the lease. It falls outside the jurisdiction of the Tribunal.

							majority of the installed detectors were defective. We stand by the claim that this is an unreasonable charge and (if still an Agent employee) would request a statement from Mr M Harris who was the Property Manager at WHG until replaced at the Associations request. The Statement that the FRA stated that smoke detectors should be routinely tested is misleading as, if their Text was completed it states " it is acceptable that the task may be undertaken by the Leaseholders". This was the case until Mr Harris took over as the Property Manager.	

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Scott Schedule for period - 25th March 2022 to 25th March 2023

Item	Heading	Description	Nature of Claim	Value	Respondents Reply	Applicant's Reply	Tribunal Use
1	Utilities Overcharge 2022/23	A continuous failure to properly record and account for the Utility Charges	The Agent failed to provide all invoices received each year and refused to provide any other document Relevant to the Lessee's examination of the documents. The Financial records the Bank Report, the Expenditure Report and the EOY Accounts were found to be inconsistent.	Unable to fully calculate value until all documents are received. Claim estimated at £1566	The Respondent denies that it has failed to provide all documents relating to the provision of utilities. The Respondent also denies that it has failed to record and account for the utility charges. The Respondent will rely on the witness statement of Neelam Samra and appended schedule.	The respondent has not provided a continuous statement of account as issued by SSE Energy for this financial year. The respondent has not explained the variation in the reported costs as shown in the original submission of evidence. The Respondent has not demonstrated that the credits shown in the SSE provided quarterly bills have been returned as credits to the Service charge account. The evidence provided by the Applicants has not been shown as incorrect. The Evidence Statement of A Cleverly (Tab 16 pages 176 - 183(has been reviewed along with the billing analysis for the four meters for each year and our reply is attached as Doc 22/23 -1JM Pages a-c	The claim is rejected for the reasons set out in paragraph 38 of the Decision. Tribunal has rejected this claim because the comparable has not supported the claim of unreasonableness of charge on the part of the Respondent's use of portfolio or the supplier's charges.
2	Management Fees charged above that stated in Budget for the year	1 Independent Accountants Fees £119 2 Professional Fee £128.40	1 Increased charge above budget without notification or clarification. 2 Unspecified 'Professional Fee"	£248.00	1. All Management Fees charged above the stated budget have been refunded, please refer to appended evidence. Notwithstanding this, the Respondent's position is that if a charge is above budget, it is not necessarily unreasonable. The Applicant needs to substantiate its claim that the fees are unreasonable. 2. The Respondent denies that the professional fee has been unreasonably incurred. The professional fees item in the accounts includes all professional costs (for example those relating to the cost of reports, surveyors' fees, land registry fees). The professional fee is recoverable under the service charge and has been incurred as follows: £111.60 was credited in respect of Land Registry Documents £240.00 was charged to the account due to a heigh measurement being required in line with Building Safey Act Requirements.	1 The statement that ALL Management Fees above budget have been refunded, is a clear recognition of the Applicants case that overbudget charges above the annual Expenditure budget without the Agent showing due cause. The Applicant sees no evidence to support the claim that over budget charges have been Refunded 2 The Applicant relies on the guidance provided to managing agents in the preparation and application of the annual expenditure budget by the RICS, we hold the opinion that the Agent did not act professionally or reasonably when adding over budget charges for items to the Agent's financial benefit and the Independent Accountants fee. We request that the Respondent provides the correspondence between Principle Estate and Bennett Whitehouse that show the quote for the years work; the request and approval for the increase along with any correspondence where the respondent has approved these annual increases. See request for Judges Directions document included in this bundle. The respondent should show by extracts from the Natwest SC Bank Account that this and all other refunds have been made	Management Fees charged above Budget £248.00. Claim rejected.

						into the Service Charge Account 3 The Height Measurement charge for £240 is claimed to be for requirements arising from the recent Building Safety Act Requirements, however as we have previously advised the agent the requirement for height measurement did not include building under 4 stories or 11 metres in height, can the Respondent show that item of legislation they are relying on?	
3	Standard of Accounting 2	Cardinus H&S and Fire Risk Assessments; Over budget Charge	Over budget & quoted price . See Challenge in Documents	£118	The Respondent has reviewed the 2022 – 2023 accounts and does not see this fee charged. The Applicant is required to sufficiently set out its case. The Respondent reserves the right to reply further.	Our apologies and thank you for identifying this error on the Applicants part The Billing date is June 2023 and this claim has been duplicated in error in the 22/23 Scott Schedule 22/23 item 3 which may now be ignored and the item 23/24 Item 3 is valid.	Claim withdrawn
4	Standard of Accounting 1	A continuous failure to properly record and accounts for Service Charges	1 Incorrect entry in Accounts for Reserve Allocations 2 Incorrect Accounting for Schedule 2 and the surplus of £280 3 Independent Accountant did not adhere to Tech03/11 Standard	50% of Accounts Preparation Fee & 50% of the Independent Accountants fee Total £701	The Respondent denies that the charges incurred are unreasonable, if that is alleged. In addition, the Applicant has failed to explain how the value of the loss is calculated. The Respondent repeats that it believes that the Tribunal does not have jurisdiction to deal with any issues relating to the standard of accounting used. Should the Tribunal disagree, the Respondent reserves the right to plead further.	The re-occurring cause in the Applicants claims is the poor standard of record keeping by the agent and the standards of bookkeeping by the agent and the low standard of inspection by the Independent Accountant. The claims for refunds against the various income streams are our proposal for compensation against over charging and charging above a reasonable charge level is the Applicants view of reasonable recompense. We look to the Tribunal to consider if that view is commensurate and proportional when considering the Agent's lack of recognition of our claims whilst going through the Complaint Process and the lack of response from the Respondent when after considering the situation put to him did not respond to an offer for an out of court settlement. We note that the Respondent is now reliant upon the Judges Direction's Statement That matters relating to "Accountancy and Bookkeeping Methodology and practice" are not within the Tribunal jurisdiction but are ignoring the caveat "(save where relevant to the reasonableness of Disputed Management Fees(We assume all fees that directly contribute to the Agents Income are Management fees. We are of the opinion that part of good management practice and part of the Management Fee is to procurement, appointment and oversite of contractors. This includes the responsibility for dealing with price variations and have good reason to approve increase above the quoted sums. Thus far this Agent has denied any responsibility for the actions of their contractors Denying any responsibility for the values put on invoices	Claim rejected for reasons set out in paragraph 41.
5	Standard of Accounting 3	Upgrade of Intercom and door entry systems in each block Completed June /July 2022	Billed as 4 individual Invoices each valued as £866.80. Only two invoices were included in the expenditure and EOY accounts. £1733.60 c/f to following year without budgeting or Accruing	Tribunal Consideration	The Respondent denies any allegation of unreasonable charges. The four invoices are all charges that have been reasonably and properly incurred. We append copies of those invoices at Tab 9. Initially, the Respondent believed that the invoices had been duplicated and therefore only two invoices were included in the 2021/2022 accounts. It became apparent that in fact four individual invoices had been raised after the end of the 2021/2022 service charge year. The	We have not disputed the work or charges for the Upgrade of the door entry system carried out by Saffron Communications. We have not questioned the four invoices presented and booked on the accounts system. The Respondent admits here that errors in the accounting team failed to recognise that the four invoices were genuine and only carried forward two to the end of year accounts. Our complaint is not so much about the apparent poor-quality control and oversight in the agent's accounts team which was compounded by the failure of the Independent Accountant when preparing and certifying to the of year accounts.	The Applicants are not questioning the four invoices presented and booked on the accounts system but about the way the invoices were treated in the accounts

					remaining two invoices were accounted for in the 2022/2023 accounts. The Respondent repeats that it believes that the Tribunal does not have jurisdiction to deal with any issues relating to the standard of accounting used. Should the Tribunal disagree, the Respondent reserves the right to plead further.	Our significant concern was the way the two missed invoices were carried forwarded into the 23/24 accounts. This formed part of a series of charges that turned a surplus in the 23/24 accounts into a sizeable deficit which caused i unnecessary and unreasonable financial hardship upon every Leaseholder This is developed in the response to the Respondents Reply for the 23/24 Accounts	
6	Standard of Accounting 4	Error Entries as Shown in the Claim Summary	3x Leaseholder payment incorrectly booked Double Charge Tree work Professional Charge (Measurement)	£920 780 240	The Applicant has failed to sufficiently particularise the sums claimed. The Respondent also notes that this appears to be a duplication of line (7) of the 2021 – 2022 Scott Schedule. The Applicant is required to clarify. The Respondent reserves the right to reply further.	The respondent should examine the Bank report which should represent the actual bank account as this report clearly shows Leaseholder payments booked into the money out column instead of money in. so the loss to the account is double the value of the payment The duplicate appears as matching entries for Tree work by York Trees appear in the financial reports for more than one year. The respondent should look closely at the entries in the financial reports and match those with extracts from the Natwest Service charge account to produce an evidence based response. The measurement charge is questioned in line 22/23/3	Accounting method again the basis off the claim. No challenge to actual charges. Claim rejected
7	Standard of Accounting 5	August 2022 Unspecified Management charge entered into bank report	Admitted under complaint review, but not seen as refunded to S C account Over budget Accounts Prep Fee Over budget Accountants Fee	£300 £18 £119	The Applicant has failed to sufficiently particularise the unspecified management charges claimed. The Respondent denies that the charges incurred in respect of the accounts fees are unreasonable, if that is alleged. The Applicant is required to particularise why the charges are unreasonable. The Respondent reserves the right to reply further.	Management Charges added to the Service Charge account invariable relate to legitimate income that the agent earns when dealing with the buying and selling of the flats, searches and the like. These do not form part of the Lessors expenses and are billed directly the agent's customer. Unless the Respondent can show that this management charge is a Lessor's expense then the claim is valid. Over budget charges have been dealt with elsewhere	1. The Applicant was concerned there was sum leakage of fees or charges incurred by the Respondents property sales agency into the management accounts. The allegation was not substantiated. Claim rejected.
8	Out of Hours Charges	The agent refused to provide a suppliers invoice for the OOH charge. We have included in this year for the three years of this case	The full calculation is shown in the Out of Hours Evidence folder.	£820	The Respondent denies that the charges incurred are unreasonable, if that is alleged. The Applicant has failed to properly particularise why they believe the charges are unreasonable. In any event, the out of hours costs include the reasonable costs of the managing agents administration and instructions to the third-party agent and contractors. All charges are within the scope of the service charge.	The Respondent is questioning if we have particularised the details of this claim. We do not question the supply contractors charges for providing the service. We wondered why the agent had an issue with providing that information until they finally provided their own "Management" on-cost which we have shown in the case evidence file/bundle Page 63. which shows all particulars of our claim on why the excessive on-cost is unreasonable. we direct the respondents attention to page 63 for the necessary particulars	The challenge lacked sufficient substance to rebut the Respondent's contention the oncost was reasonable
9	Unreasonable Charge	Routine Inspection of 4 fire Doors by National Fire Ltd July 23	Charge considered excessive and therefore Unreasonable	£372	The Respondent denies that the charges incurred are unreasonable. It is noted that the quote relied upon by the Applicant relates to the bin store doors (only) rather than the doors for the whole block. The Applicant has failed to sufficiently provide evidence to demonstrate excessive charges. Notwithstanding the above, the Respondent is not required to use the least expensive contractor. All fire doors have been inspected to ensure compliance with safety standards.		1. The Tribunal considers the charge of £669 unreasonable and excessive. It reduces the sum to £250.00 plus VAT.

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Scott Schedule for period to year 25th March 2023 to 25th March 2024

Item	Heading	Description	Nature of Claim	Value	Respondents Reply	Applicant's Reply	Tribunal Use
1	Utility Charges	Continuous failure to record and manage the Utility Charges over the Claim period	Unreasonable costs booked to the S C Account. Due to lack of coherent records we are unable to finalise a value. We propose a settlement value of £750 per year.	£2,250	The Respondent denies that it has failed to provide all documents relating to the provision of utilities. The Respondent also denies that it has failed to record and account for the utility charges. The Respondent will rely on the witness statement of Neelam Samra and appended schedule.	The respondent has not provided a continuous statement of account as issued by SSE Energy for this financial year. The respondent has not explained the variation in the reported costs as shown in the original submission of evidence. The Respondemt has not demonstrated that the credits shown in the SSE provided quarterly bills have been returned as credits to the Service charge account. The evidence provided by the Applicants has not been shown as incorrect.	. The Applicant is unable to quantify a claim based on the unreasonableness of these charges and proposes a quasi-compensation sum of £750. The Tribunal is not satisfied any claim is made within its jurisdiction.
2	Management Fees charged above that stated in Budget for the year	The Agent has been found to have increased various "Management Charges" over the value set in the agreed budget. This has been done without consultation or notice. First payments taken within a couple of weeks from budget issue	1 Management Fee overcharge £470 2 Professional Fees overcharge £1640 (See LTMP Evidence Pages) 3 Account Prep Fee £42. 4 Independent Accountants Fee £72.80	£2,225	The Respondent relies on the terms of the 47 WHG Underlease and denies any allegation that it is not entitled to charge the leaseholders the Management Fees. The Respondent is required to take all necessary steps to comply with its obligations under the Lease. The Applicant has failed to fully particularise why the fees are unreasonable. The Respondent reserves the right to respond further.	The re-occuring cause in the Applicants claims is the poor standard of record keeping by the agent and the standards of bookkeeping by the agent and the low standard of inspection by the Independent Accountant. The claims for refunds against the various income streams are our proposal for compensation against overcharging and charging above a reasonable charge level is the Applicants view of reasonable recompense. We look to the Tribunal to consider if that view is commensurate and proportional when considering the Agent's lack of recognition of our claims whilst going through the Complaint Process and the lack of response from the Respondent when after considering the situation put to him did not respond to an offer for an out of court settlement. We note that the Respondent is now reliant upon the the Judges Direction's Statement That matters relating to "Accountancy and Bookkeeping Methodology and practice" are not within the Tribunal jurisdiction but are ignoring the caveat "(save where relevant to the reasonableness of Disputed Management Fees) We assume all fees that directly contribute to the Agents Income are Management fees. We are of the opinion that part of good management practise and part of the Management Fee is to procurement, appointment and oversite of contractors. This includes the responsibility for dealing with price variations and have good reason to approve increase above the quoted sums. Thus far this Agent has denied any responsibility for the actions of their contractors Denying any responsibility for the values put on invoices	1.Tribunal is not satisfied that there the agents have fallen below the standards required of them. This item is rejected.
3	Quoted Price Overcharged	Over-Charge For H&S and Fire Report	Unsubstantiated increase charged Considered improper and unreasonable	£188	The Respondent denies that the charges are unreasonable or improper. The budget is an estimation of costs. The service was provided by an external third party and the cost of carrying out the	The price for the work was not a budget item but a clear quotation from Cardinus for the production of the two reports. At receipt of the reports we raised a number of questions regarding the accuracy of the reports and received modifications and reassurances from Cardinus for us accept the reports. The issue of our complaint is the charge made	There is a dispute whether there was a quote or an estimate for the

					Heath and Service report was invoiced and charged to the leaseholders. The Applicant has failed to substantiate why they believe the charges are unreasonable.	over and above that quoted, the Agent is apparently happy to accept an increased value invoice cost declaring its a third party matter, when providing due diligence is part of the management duties. The above quoted price is considered unreasonable	work. If a quote then the bill is overcharged by £188.00
4	Standard of Accounting 1	Administration Charge listed in 23-24 Expenditure Report	Unreasonable charge as this is not a service charge item	£360	The Respondent refers to paragraph 14 of the Sixth Schedule of the Underlease dated 23 March 1967 made between Bryant Homes Limited and Edith Jakeways (and for the avoidance of doubt the terms of which are mirrored in the underleases in respect of all flats across the block). The Respondent denies that the charge is unreasonable or improper charge.	Management Charges added to the Service Charge account invariable relate to legitimate income that the agent earns when dealing with the buying and selling of the flats, searches and the like. These do not form part of the Lessors expenses and are billed directly to the agent's customer. Unless the Respondent can show that this management charge is a Lessor's expense then the claim is valid. Over budget charges have been dealt with elsewhere.	1. Lease permits such charges. Not unreasonable. Claim rejected.
5	Standard of Accounting 2	Management Admin Charge listed in November 2023 Bank Report	Unreasonable charge as this is not a service charge item	£238	The Respondent refers to paragraph 14 of the Sixth Schedule of the Underlease dated 23 March 1967 made between Bryant Homes Limited and Edith Jakeways (and for the avoidance of doubt is mirrored in the underleases in respect of all flats across the block). The Respondent denies that the charge is unreasonable and reserves the right to reply further, should the Applicant explain why they believe the charge is unreasonable.	Management Charges added to the Service Charge account invariable relate to legitimate income that the agent earns when dealing with the buying and selling of the flats, searches and the like. These do not form part of the Lessors expenses and are billed directly to the agent's customer. Unless the Respondent can show that this management charge is a Lessor's expense then the claim is valid. Over budget charges have been dealt with elsewhere.	1. Lease permits such charges. Not unreasonable. Claim rejected.
6	Standard of Accounting 3	Continuation of Bank Reports as Issued	From the Bank Report 25/03/23 to 25/03/24 we see a surplus of £23368.11 (end calculation of money in less money out) in the opening line of the Bank Report 26/03/24 to 15/10/24 we see a carried forward deficit of £699.14.	Unable to determine Tribunal Consideration	The bank report is a report which shows the transactions in any given account. That report is entirely separate from the service charge accounts which shows all charges that have been charged to the leaseholders. Notwithstanding the above, we refer to paragraph (7) of the Order of DJ Barlow dated 24 April 2025 (as reissued on 28 April 2025). We do not believe accountancy and bookkeeping methodology and practice is within the jurisdiction of the Tribunal to determine and the Respondent has not replied on that basis. Should the Tribunal disagree, the Respondent reserves its right to plead further	The re-occuring cause in the Applicants claims is the poor standard of record keeping by the agent and the standards of bookkeeping by the agent and the low standard of inspection by the Independent Accountant. The claims for refunds against the various income streams are our proposal for compensation against overcharging and charging above a reasonable charge level is the Applicants view of reasonable recompense. We look to the Tribunal to consider if that view is commensurate and proportional when considering the Agent's lack of recognition of our claims whilst going through the Complaint Process and the lack of response from the Respondent when after considering the situation put to him did not respond to an offer for an out of court settlement. We note that the Respondent is now reliant upon the Judges Direction's Statement That matters relating to "Accountancy and Bookkeeping Methodology and practice" are not within the Tribunal jurisdiction but are ignoring the caveat "(save where relevant to the reasonableness of Disputed Management Fees) We see the extract from the Bank report as shown in the Evidence bundle pages 86 to 88 is a significant error in bookkeeping practice and is we believe an attempt to disguise the turning of an account surplus into a deficit as created in the EOY Accounts	Continuation of Bank Reports. Bookkeeping or accounting methodology. No claim.
7	Standard of Accounting 4	Excessive Charge for Fire Door Inspection	Charge Unreasonably High. Alternative quotation obtain and included in Document bundle	£270	The Respondent denies the charges are excessive or unreasonable. The Respondent has reviewed the quote provided by the Applicant which appears to relate to the doors for the bin stores only.	There are four fire doors that fall within the Respondents responsibility and we are questioning the reasonableness of the charge made by the contractor for the task of inspecting those four doors. We have obtained an alternative quote from an established company based on 2025 prices as a comparison to the original invoice. The responded has noted that the alternative quote is for four doors and we can confirm the original charge was for the equivalent number. The remaining doors at the property some 24 number	Excessive Charge for Fire Doors Inspection. Claim allowed. See paragraph 46

						apartment front doors are demised to the leaseholder and no inspection of those was carried out by Senital Fire	
8	Standard of Accounting 5	Duplicated Charge Tennant Salt Purchase rebooked in both S C and Reserve Account.	Dispute over Tenant charge settled at PRS. The continued re-booking of the charge is Unreasonable	£41	This charge has been refunded to the leaseholders. Please see attached email at Tab 13. The Respondent believes that any other allegations relating to the standard are outside the jurisdiction of the tribunal.	We looked with interest at the document Tab 13 an e mail from A Cleverly to the writer (as the occupant of No. 26 WHG) and have found it to be a document that reveals that the accounting standard achieved by the Agent is truly dismal. A layman can readily discern the quantity of errors and correction which appear to be self replicating. This item relating to the account of a single property was only resolved by an imposed solution by the PRS. Whilst this cleared the debt from the personal account we continued to see the item and the sum being posted in the financial reports for the service charge and reserve accounts	Already refunded
9	Poor Accounts Record Keeping and Inspection	Poor book keeping standards by Agent and failure to examine documents to the recommended standard.	The Applicant proposes the following recoveries as Reasonable Compensation, 25% of Independent Accountants Fee, 30% of Management Fee; 100% of the Accounts Preparation fee	£2,236	The Respondent denies that the charges incurred are unreasonable, if that is alleged. In addition, the Applicant has failed to explain how the value of the loss is calculated. The Respondent repeats that it believes that the Tribunal does not have jurisdiction to deal with any issues relating to the standard of accounting used. Should the Tribunal disagree, the Respondent reserves the right to plead further.	The Respondent in making this reply is not making a serious attempt to explain all of the challenges to the EOY accounts that have been raised. We draw the Respondent attention the Independent Statement of Factual Findings page 82 of the claim bundle along with the Accounts error narrative as laid out in pages83 to 85 inc. and finally the reserve account analysis pages 89 and 90 See also the 23-24/6 line item response by the Applicant	1. This is a claim made from proposed percentage reductions of accountants and management fees without more explanation. Unreasonableness of charges not demonstrated. Claim rejected.