

FirstPort Property Services Ltd (Appellant) v Settlers Court RTM Company and others (Respondents)

Case ID: 2020/0066

Case summary

Issue

Where a company incorporated by leaseholders in a block of flats acquires the right to manage the block under the Commonhold and Leasehold Reform Act 2002 ("the Act"), and the leaseholders also enjoy rights over the estate in which the block is situated, does the company only acquire the right to manage the block itself, or does it also acquire the right to manage the rest of the estate?

Facts

The Appellant ("FirstPort") is a company which manages an estate in East London containing ten blocks of flats. The Second to Fourteenth Respondents are leaseholders of flats in one of the blocks, "Settlers Court", with rights to access the estate's communal areas. FirstPort provides services on the estate, including maintenance of the communal areas, for which it is entitled to levy an estate service charge. Through the "right-to-manage" regime in the Act, the First Respondent, a company established by the Settlers Court leaseholders ("the RTM Company"), acquired the right to manage the block and took on responsibility for providing services in relation to the block itself. A dispute then arose as to whether the leaseholders continued to be obliged to pay the estate service charge to FirstPort. On an application by the RTM Company, the First-Tier Tribunal determined that it was bound to hold that the company had acquired the right to manage the estate and that the leaseholders had no obligation to pay the estate service charge. The Upper Tribunal dismissed FirstPort's subsequent appeal but issued a "leapfrog" certificate enabling it to apply for permission to appeal to the Supreme Court.

Judgment appealed

[\[2019\] UKUT 243](#)

Parties

Appellant(s)

FirstPort Property Services Ltd

Respondent(s)

Settlers Court RTM Company and Others

Intervener

Association of Residential Managing Agents

Appeal

Justices

Lord Briggs, Lord Sales, Lord Leggatt, Lord Burrows, Lady Rose

Hearing start date

10 November 2021

Hearing finish date

11 November 2021

Watch hearing

10 Nov 2021 [Morning session](#) [Afternoon session](#)

11 Nov 2021 [Morning session](#)

Judgment details

Judgment date

12 January 2022

Neutral citation

[2022] UKSC 1