



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

**Case reference** : **LON/00AY/LSC/2024/0164**

**Property** : **15B Bloom Grove  
West Norwood  
London SE27 0HZ**

**Applicant** : **Rupert de Guise**

**Representative** : **In person**

**Respondent** : **15 Bloom Grove Limited**

**Representative** : **Dr Findlay**

**Type of application** : **s.27A Landlord & Tenant Act 1985**

**Tribunal members** : **Tribunal Judge Mr I B Holdsworth  
Alison Flynn MA MRICS**

**Date and venue of  
Hearing** : **21 October 2024  
10 Alfred Place, London WC1E 7LR**

**Date of Decision** : **14 November 2024**

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**DECISION**

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**Decisions of the Tribunal**

- a. The Tribunal determines that the service charge for building insurance premiums for years 2009 to June 2023 are not payable by the Applicant leaseholder.
- b. The Tribunal determines a total reasonable and payable charge for the roof works of £3,250 (inclusive of VAT). The amount payable by the Applicant after advised charges and payments **is £562.50**.
- c. The accountancy charge made of the Applicant in service charge year 2023 is not reasonable or payable.

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- d. The Tribunal makes an order under s.20C of the Landlord & Tenant Act 1985 (**'the 1985 Act'**) and paragraph 5A of Schedule 11 to the Commonhold & Leasehold Reform Act 2002 (**'the 2002 Act'**) that prevents any costs associated with this Application being payable through the service charge.
- e. The Respondent is to reimburse to the Applicant within **two-weeks** of the date of this Decision the £300 cost of the Application to Tribunal.

**1. The Application**

- 1.1 The Application sought a determination pursuant to s.27A of the 1985 Act and Schedule 11 of the 2002 Act as to the amount payable as a service charge and the reasonableness of administration charges for years 2009-2023.
- 1.2 The Applicant also applied for a s.20C Order under the provisions of the 1985 Act.
- 1.3 The Applicant made an Application to the Tribunal dated 8 April 2024.
- 1.4 Directions were issued following a case management hearing on the 2 July 2024. The Directions issued on 2 July 2024 identified the following matters in dispute:
  - a) The Applicant's liability to pay a service charge contribution for the buildings' insurance premiums for years 2009 to June 2023.
  - b) Whether any service charge arrears were subject to the Limitations Act 1980.
  - c) Whether the costs were payable by reason of s.20B of the 1985.
  - d) Whether the costs for the roof works and accountancy fees were reasonable.
  - e) Whether retrospective dispensation should be granted under s.20ZA in relation to the roof works.
  - f) Whether an Order under s.20C of the 1985 Act and/or paragraph 5A of Schedule 11 to the 2002 Act should be made.
  - g) Whether an Order for reimbursement of Application/Hearing fees should be made.

## 2. The Hearing

- 2.1 A hearing was held on 21 October 2024 at which the Applicant Mr Rupert de Guise and Dr Findlay, the Respondents representative attended. Dr Findlay is the representative of the freehold company, 15 Bloom Grove Limited. Mrs Slaughter a Director of the freehold company attended as an observer.
- 2.2 The hearing was held at 10 Alfred Place, London WC1E 7LR.
- 2.3 Neither party had requested an inspection, and the Tribunal did not consider one was necessary, nor would it have been proportionate to the issues in dispute.

## 3. Issues in dispute

- 3.1 Prior to commencement of the Hearing, the Tribunal asked the parties whether progress had been made in resolution of the outstanding matters.
- 3.2 Dr Findlay and Mr de Guise confirmed a s.20ZA dispensation from statutory consultation had been granted in respect of the works to the roof under Decision reference LON/00AY/LDC/2024/0152. It was agreed that the failure to undertake appropriate consultation requirements prior to carrying out the works was no longer in dispute.
- 3.3 Mr de Guise and Dr Findlay told the Tribunal all other matters in dispute remained unresolved.
- 3.4 The Tribunal asked the parties to provide details of the sums in dispute. The parties agreed the sums as follows:
  - a) The outstanding buildings' insurance service charge liability to the Applicant for the period 2009 to 2023 as £3,037.20.
  - b) The liability for Roof works costs subject to the 20Za application in the sum of £1,056.5.
  - c) An accountancy charge for service charge year June 2022-June 2023 in the sum of £138.90.

## 4. The Property

- 4.1 The subject building, 15 Bloom Grove, West Norwood, London SE27 0HZ ('**the Property**') comprises a Victorian house converted into four flats.
- 4.2 Three of the leaseholders collectively own the freehold.
- 4.3 The fourth leaseholder and the Applicant in this matter, does not own a share of the freehold. The Applicant holds the lease on 15B Bloom Grove, West Norwood, London SE27 0HZ ('**the Subject Flat**').

**5. The law**

5.1 The relevant legal provisions are set out as an Appendix to this Decision.

**6. The lease provisions**

6.1 A copy of a lease dated 8 October 1982 between Pesus Limited and Rita Aneegan was provided to Tribunal as a specimen lease for the flats in the Property. It is assumed this specimen lease is the same for all four flats at the Property and applies to the Subject Flat.

6.2 The Respondent's Representative also referred Tribunal to section 5 of the lease:

*'The Landlord hereby covenants:*

*'2 To insure and keep insured the building against loss or damage by fire storm tempest earthquake heave subsidence and landslip'*

And in section 3(a):

*'The Tenant hereby further covenants with the Landlord on the execution hereof to pay to the Landlord as a maintenance contribution toward the estimated annual costs of doing the things hereafter referred to as maintenance specified in the Second Schedule hereto an advance amounting to...*

**7. Buildings' insurance**

7.1 The Applicant told the Tribunal he had had no contact with the Directors of the freehold company since 7 January 2010. The Applicant explained that his correspondence address since that date had remained *Studio G, 209 St John's Hill, London SW11 1TH*. He advised that this address had been known to Caroline Doran a Director of the company throughout this period.

7.2 The Applicant explained that Ms Doran was resident at the property until she emigrated to Australia in or around 2010 and, prior to her departure, she had been responsible for preparation of any service charge billing for the Property.

7.3 The last service charge account submitted to the Applicant had been included in the bundle at p.95 . He claimed this was the last demand received and paid. The Applicant asked Tribunal to note that this demand had not been provided to him with the statutorily required summary of rights and obligations that should be included with any demand for service charges.

- 7.4 The Applicant then explained that, in 2014 he had an exchange of e-mail messages (included in the bundle at p.90) with Mrs Slaughter about the costs of making good damage to the building. The Applicant asserted that, in 2014 at the time of these e-mails, Mrs Slaughter could have asked requested confirmation of his address. The Applicant contended that the Directors of the Company were aware at all times of his postal address. Despite full knowledge of his address, they failed to provide such demands to him in writing via the correct address.
- 7.5 The respondent's representative said Mr de Guise had not been resident at 15 Bloom Grove for many years. She claimed that after Ms Doran left the Property for Australia in or around 2010, the forwarding address for the Applicant was not known and this prevented the Respondents from providing service charge demands to the Applicant.
- 7.6 The Tribunal asked if the Respondent had maintained contact with Ms Doran who remained a Director of 15 Bloom Grove Limited. Respondent's Representative confirmed that they had maintained regular and frequent contact with Ms Doran since she had left the UK.
- 7.7 The respondent's representative accepted that the service charge demand issued by Ms Doran in 2010 and included in the bundle at p92 did not include the statutorily required summary of tenant's rights and obligations.

## **8. Tribunal Decision**

- 8.1 It is common ground between the parties that no valid or other service charge Demands were given to the Applicant between 2009 and 30 June 2023.
- 8.2 The Tribunal has weighed the evidence submitted by both parties in respect of the whereabouts of the Applicant and has decided that a correct forwarding address for the Applicant was available to the Respondents. As such the Respondents could have issued valid service charge demands to the Respondent in respect of the buildings' insurance premiums and thereby secured payment of the relevant yearly contributions in respect of the Subject Flat. The Demand submitted within the bundle at page 92 also fails to comply with statutory requirements.
- 8.4 The Respondent did not give to the tenant any notice of service charge expenditure during the relevant period and consequently the requirements of a section 20B notice under the Act are not satisfied. The provisions of the Limitations Act 1980 are not engaged due to the failure to give valid and compliant Demands.
- 8.3 The Tribunal conclude no valid service charge demands were made in respect of the buildings' insurance until 30 June 2023. The outstanding sum of £3,037.20 was not validly demanded and is therefore not payable.

**9. s. 20ZA Roof works**

- 9.1 The Respondent referred Tribunal to an invoice (pp 84) from Topline dated December 2022 .
- 9.2 It was explained that water ingress affected Flat D in late November 2022. This flat is owned by Dr Findlay. Despite strenuous efforts to elicit interest from contractors to carry out repair work the Respondents were only able to secure the interest of a single contractor. Topline, the contractor who showed interest, agreed to undertake the necessary repair works before Christmas 2022 at a cost of £4,850 inclusive of vat. The Applicant contended that the works were overpriced, of poor quality, and limited extent and the sum charged was not reasonable.
- 9.3 The Applicant offered an alternative quote prepared by Castles FM, a local building company. The quote of £2,225 inclusive of VAT dated 14 August 2024 was prepared based on photographs made available to them. This was prepared almost two-years after the remedial works were done. The Tribunal are unclear whether the photographs upon which the quote was prepared showed the pre works condition. The Tribunal has some concerns about the independence of Castles FM given they are based at premises associated with the Applicant. We were also told the contractor undertake repair and building work for the Applicant. The Applicant contended that the Castles FM quote was indicative of the costs for carrying out necessary works based on the photographic evidence available to him.
- 9.4 Dr Findlay reiterated the difficulty she faced in engaging with a contractor in the weeks immediately before Christmas 2022. Topline provided their quote on 9 December 2022 and the work was done and completed out by 17 December 2022. This was a Saturday, having been the only date on which the contractor was available to undertake the repair.
- 9.5 Dr Findlay said she had no knowledge or previous experience of roof construction and roof repair. Despite this she considered the details offered in Topline's invoice offered sufficient information as to the works undertaken. She also referred Tribunal to a series of photographs (pp.161-164 within the bundle), illustrating the extent of works, in particular the flashing above the dormer projection and the brick built upstand. Dr Findlay claimed the cost of the repairs is justified, particularly given the timing and urgency of the works.

**10. Tribunal decision**

- 10.1 Tribunal carefully reviewed the photographs of the completed works as provided in the bundle and assessed the extent and quality of the repairs undertaken. It appraised the works in the context of the incurred cost of £4,850 inclusive of vat.
- 10.2 The Tribunal has expertise and knowledge both in specifying and supervising similar roof works and the likely costs for the same. It is

the Tribunal's opinion that the costs of these works are excessive and determined a reasonable sum to be £3,250 inclusive of VAT.

- 10.3 The Tribunal were told the Respondents sought a sum of £1,056.53 from the Applicant for roof works. This reflects the £250 already paid plus ancillary charges of £5.15 and £89.03. It is not in dispute that under the lease terms the Applicant has a liability to pay 25% of reasonably incurred charges. No representations were made in regard of the ancillary charges. The Tribunal determines the sum payable and reasonable as 25% of £3,250 less £250 equivalent to **£562.50**.

## **11. Accountancy fees**

- 11.1 The Applicant referred Tribunal to the invoice for accountancy fees, amounting to £138.90 at p.120 of the bundle. The invoice stated:

*'Preparation of the company's dormant accounts  
for year ending 31 December 2022.  
Dealing with routine queries, correspondence and  
advice, meetings as necessary.  
Fee as quoted.  
Total £515.60'*

- 11.2 The Applicant advised he had paid the £138.90 but he was now seeking reimbursement, because the advice provided by the accountant was not applicable to any service required by the leaseholders. The Applicant said the advice described in the invoice dated 14 December 2023 was to the freehold company, in respect of the dormant accounts and had no relevance to the management of the Property.
- 11.3 The Respondent's Representative advised the invoice was misleading, that the advice was more general and related to a range of matters all relevant to the preparation of the current accounts.

## **12. Tribunal decision**

- 12.1 The Tribunal reviewed the description set out in the invoice and taken submissions from both parties about the disputed accountancy charge.
- 12.2 The purpose of the accountancy work is not clear from the text on the invoice nor are the relevance of the associated charges. The text on the invoice is ambiguous. The Respondent offered no credible supporting evidence to justify their claim that the advice was relevant to the management of the Property and the leaseholders.
- 12.3 Tribunal conclude this sum is disallowed. Accordingly, the Tribunal determine the sum of £139.90 should be reimbursed to the Applicant.

## **13. s.20C Landlord & Tenant Act 1985**

- 13.1 The test for Tribunal with regard to making a s.20 Order is whether it would be just and equitable for the Applicant to pay the Respondent's

costs, given the Tribunal's findings and that the other leaseholders may be disadvantaged by their liability to pay such costs.

- 13.2 The Applicant is successful in all the findings of the Tribunal and, no material prejudice to other leaseholders is identified arising from making an Order. Tribunal has consequently decided to make an Order on the basis that the s.27A determination favoured the Applicant.
- 13.3 The Tribunal therefore makes an order limiting recovering of the Respondent's costs, pursuant to s.20C of the 1985 Act and paragraph 5(a) of Schedule 11 of the 2002 Act.

**14. Reimbursement of Application charges**

- 14.1 The Applicant was successful in all findings of the Tribunal, and it therefore directs that the Application and hearing costs of £300 be reimbursed by the Respondent within two-weeks of this Decision.

**Name:** Ian B Holdsworth      **Date:** 14 November 2024  
Valuer Chairman



## **RIGHTS OF APPEAL**

- 1 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.
- 2 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.
- 3 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.
- 4 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.

## **Appendix A**

### **THE LAW**

#### **Landlord and Tenant Act 1985 (as amended)**

##### **Section 18**

- (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 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**

- (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 provisions 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.

##### **Section 27A**

- (1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to: -

- (a) the person by whom it is payable;
  - (b) the person to whom it is payable;
  - (c) the amount which is payable;
  - (d) the date at or by which it is payable; and
  - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to: -
- (a) the person by whom it would be payable;
  - (b) the person to whom it would be payable;
  - (c) the amount which would be payable;
  - (d) the date at or by which it would be payable; and
  - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
- (a) has been agreed or admitted by the tenant;
  - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party;
  - (c) has been the subject of determination by a court; or
  - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

## **Section 20**

- (1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either: -
- (a) complied with in relation to the works or agreement; or
  - (b) dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal.
- (2) In this section 'relevant contribution', in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.

- (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long-term agreement: -
- (a) if relevant costs incurred under the agreement exceed an appropriate amount; or
  - (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount: -
- (1) an amount prescribed by, or determined in accordance with, the regulations; and
  - (2) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.

### **Section 20B**

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

## **Section 20C**

- (1) A tenant may make an application for an Order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court, residential property tribunal or the Upper Tribunal, or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.
- (2) The application shall be made: -
  - (a) in the case of court proceedings, to the court before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to a county court;
  - (aa) in the case of proceedings before a residential property tribunal, to that tribunal;
  - (b) in the case of proceedings before a residential property tribunal, to the tribunal before which the proceedings are taking place or, if the application is made after the proceedings are concluded, to any residential property tribunal;
  - (c) in the case of proceedings before the Upper Tribunal, to the tribunal;
  - (d) in the case of arbitration proceedings, to the arbitral tribunal or, if the application is made after the proceedings are concluded, to a county court.
- (3) The court or tribunal to which the application is made may make such Order on the application as it considers just and equitable in the circumstances.

## **Section 21B**

- (1) A demand for the payment of a service charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to service charges.
- (2) The Secretary of State may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.
- (3) A tenant may withhold payment of a service charge which has been demanded from him if subsection (1) is not complied with in relation to the demand.
- (4) Where a tenant withholds a service charge under this section, any provisions of the lease relating to non-payment or late payment of service charges do not have effect in relation to the period for which he so withholds it.



- (5) Regulations under subsection (2) may make different provision for different purposes.
- (6) Regulations under subsection (2) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.