

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference : LON/00BE/LSC/2024/0052

Property 2 & 6 Onega Gate, Russia Court East,

Finland Street, London SE16 7PF

Applicant : Plamen Vasilev

Representative : Mr Winston Brown, solicitor

Respondent : O.M. Limited

Mr Richard Alford, counsel instructed

Representative : by FirstPort Property Services Limited

on behalf of the respondent.

Type of application : For the determination of the liability to pay service charges under section 27A of

the Landlord and Tenant Act 1985

Judge Tagliavini Tribunal members

Mrs A Flynn MRICS

Venue : 10 Alfred Place, London WC1E 7LR

Date of hearing
Date of decision

5 December 2024
7 January 2025

DECISION

Decisions of the tribunal

- (1) The tribunal finds the services disputed by the applicant were provided to him under the terms of the leases for Flats 2 and 6 Onega Gate for the service charge years 2015 to 2024 inclusive.
- (2) The tribunal finds the applicant is liable to pay the sums demanded by the respondent for the service charge years 2105 to 2024 inclusive (less the amount attributed to the concession made by the respondent in respect of cleaning to the internal communal areas).
- (3) No order is made under s.20 of the Landlord and Tenant act 1985 and para.5 of Sch. 11 of the Commonhold and Leasehold Reform Act 2002.

The application

1. This is an application pursuant to s.27A of the Landlord and Tenant Act 1985 seeking a determination of the reasonableness of all of the heads of service charges for the service charge years 2014 to 2024 inclusive.

The hearing

2. At the hearing of the application the applicant was represented by Mr Winston Brown, solicitor and the respondent by Mr Richard Alford of counsel.

Preliminary matters

- 3. Although the respondent had indicated it wished to make an application to strike out the applicant's case for a failure to comply with the tribunal's directions dated 12 August 2024 (as amended)and any 'unless order' made by the tribunal. Mr Alford informed the tribunal that the respondent no longer wished to proceed with that application and consequently, the tribunal did not consider it.
- 4. The respondent also submitted that the applicant was barred from disputing the service charge year ending 31 March 2015 due to an earlier Settlement Agreement dated 1 August 2016 that was made between the applicant and O.M. Limited which had included the service charge year 2014-2015.
- 5. However, the tribunal's directions recorded it had determined that the service charge year 2014-2015 was outside of the tribunal's jurisdiction and that the ambit of the current application was limited to the period 2015 to 2024 (inclusive).

6. The respondent also sought to raise whether the applicant should be permitted to rely on disputing all of the remaining service charge years to their age and unfairness being caused to the respondent. However, this issue was not pursued and in any event, the respondent had demonstrated through its extensive production of documents it was able to meet and answer the applicant's challenges to all the service charge years in dispute.

The background

- 7. The subject properties are located in a former office block converted into a row of houses. The applicant is the freeholder of 1-6 Onega Gate and the long leaseholder of Flats 2 and 6 Onega Gate. The applicant's leasehold ownership of Flats 2 and 6 is derived from and subject to the terms of a lease dated (i) 2 September 1988, made between London Docklands Development Corporation (1), Heron Homes Limited (2), OM Limited (3) and BB Supply Centre Limited (4) ("the Flat 2 Lease") and (ii) 27 May 1988, made between London Docklands Development Corporation (1), Heron Homes Limited (2), OM Limited (3) and Regency Wholesale Services Limited (4) ("the Flat 6 Lease").
- 8. O.M. Limited is the named management company in the lease and the head leasehold owner is Proxima GR Properties Limited. FirstPort Property Services Limited is the managing agent instructed by O.M. Limited to manage the development and includes providing/arranging the provision of services and the demanding and collection of service charges.

The issues

- 9. In the application form the applicant asserted that none of the heads of service charge had been provided by the respondents in the disputed service charge years and that therefore, no sums were payable. In the directions dated 12 August 2024, the issues were identified as the applicant's liability to pay the sums demanded under the terms of the lease; whether the service charges are payable by reason of s.20B of the 1985 Act; whether the cost of the works are reasonable. However, in the applicant's Statement of Case dated 27 August 2024 and at the hearing of the application, the applicant repeated and relied upon his original assertion that '[H]e has never received any of the services for which he has been invoiced.' Therefore, no sums of service charge or administration fees are payable.
- 10. Consequently, the applicant failed to provide a Scott Schedule setting out for each disputed item in each disputed year, the reasons for the dispute and the amount he considered reasonable for that disputed item of service charge and maintained his assertion that no services at all were provided to him in the 9-year period in dispute. In support of his

application the applicant relied upon the documents he provided to the tribunal (including photographs), his witness statement dated 27 August 2024 and his oral evidence to the tribunal. Despite the applicant's failure to provide a comprehensive schedule on why and in what amount each item of service charge was disputed these were identified in the tribunal's directions as:

Insurance
Electricity
Communal area cleaning
Refuse bins
General repairs
Accountancy and audit fees
Health & Safety
Contribution to Reserves
Maintenance of landscape areas
CCTV maintenance
Bank charges

- 11. The applicant did not seek to assert that the respondent was not entitled to provide these services or that the lease did not make provision for this. However, the respondent conceded at the beginning of the hearing that the costs of communal cleaning to the subject properties at 2 and 6 Onega Gate should be removed as neither had any communal area for which cleaning was provided.
- 12. In his witness statement and oral evidence the applicant asserted that he had taken out his own insurance for the subject properties; that the lights in the communal areas had not worked since 2016; no internal or external communal cleaning was provided; the cost of the refuse bins is covered by council tax; he has carried out roof repairs across the whole block; that invoices, accounts and audits are not genuine.
- 13. The respondent relied upon a hearing bundle of 789 pages and 2 additional bundles which included copies of the relevant leases; the budgets and accounts for the service charge years in dispute; copies of the insurance schedules and invoices for works/services; relevant photographs of the common parts and the demands for payment. The respondent also relied upon a witness statement of Elle Denning, Regional Manager for FirstPort Group Limited dated 25 October 2025 and also gave oral evidence to the tribunal.

The tribunal's decision

14. The tribunal finds the services disputed by the applicant were provided to him under the terms of the leases for Flats 2 and 6 Onega Gate. The tribunal finds the applicant is liable to pay the sums demanded by the respondent for the service charge years 2105 to 2024

inclusive subject to the concession made by the respondent in respect of internal communal cleaning.

The tribunal's reasons

- 15. The tribunal found the applicant's bald assertion that no services at all have been provided by the respondent over the 9 years in dispute, to be wholly unconvincing. The tribunal finds the applicant's evidence on all of the disputed heads of service charge to be vague, non-specific and unsupported by the production of any or any persuasive documentary evidence.
- 16. The tribunal did not accept the applicant's assertion that he had been told by the respondent's property manager 'Svelta' that he had not received any services from the respondent. The tribunal also did not accept the applicant's assertion that the property manager was unresponsive to his complaints as this was undermined by his stated wish to hire the same property manager for the management of his own businesses and the estate inspection reports of this property manager.
- 17. The tribunal finds from the extensive documentary evidence relied upon by the respondent in addition to the oral evidence provided by Ms Denning, that the applicant, has on the balance of probabilities been provided with services under the terms of his leases and for which payment has been demanded. The tribunal finds the applicant is liable to pay for these services in accordance with the demands for payment made albeit subject to the removal of communal cleaning charges as conceded by the respondent.

Application under s.20C and para 5 of Schedule 11

18. The tribunal had regard to the parties oral submissions and its findings above and determines that in all the circumstances it is not just or equitable to make an order under either s.20 of the Landlord and Tenant Act 1985 or para. 5 of Sch. 11 of the Commonhold and Leasehold Reform Act 2002.

Name: Judge Tagliavini Date: 7 January 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the Tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the Firsttier Tribunal at the Regional Office which has been dealing with the case. The application should be made on Form RP PTA available at https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber

The application for permission to appeal must arrive at the Regional Office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the Tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).