



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

Case reference : **LON/00BE/LSC/2023/0263**
Applicant : **Tetlow Fifty-Three Limited**
Respondents : **The leaseholders of One Tower
Bridge**
Property : **One Tower Bridge , Earls Way,
London SE1 UP**
Tribunal : **Judge Shepherd**
Date of decision : **31st March 2025**

DETERMINATION

- 1 The Applicant is a management company that is concerned with the management of premises at One Tower Bridge, Southwark, London SE1 2UP (“the premises”). The Respondents to the application are the leaseholders of the premises.
- 2 The Applicant seeks a determination under s.27A(3) LTA 1985 that the service charges incurred in replacing individual concierge desks at the Property with a centralised service is reasonable and payable.
- 3 There has been no substantive response by the leaseholders save that one has emailed objecting to the plan without giving much detail.
- 4 The premises consist of a mixed-use development that includes 8 blocks of flats with some commercial units. There are a total of 374 flats let on long leases. With an estate this large the services of concierges are essential.
- 5 At present, each of the blocks contains its own reception desk with a concierge, the costs of which are recovered from the Respondents through their service charges. Leaseholders acting through One Tower Bridge Residents Association have indicated that they would appreciate a reduction in service charges. Indeed, this is a common and natural aspiration of leaseholders. The proposal to replace the individual concierge desks with a centralised service together with a post/parcel room in the basement,

achieves savings in services according to the Applicant.

6 The works involved in taking forward the proposal include works to the reception desk at one of the blocks in the premises where the centralised concierge desk would be located, as well as works to create a secure post room for parcel collection and a secure central key collection point and changes to the intercom system. In addition, there may be some redundancy costs as well as the on-going cost of 2 post-room assistants.

7 As part of a consultation exercise the Applicant received quotes from two contractors £58,135 and £71,485 (excl. VAT). On the assumption that the lowest quote is accepted and allowing for contract administration fees, management fees and VAT, the total cost of the works is estimated at around £79.5k. In addition, the redundancy costs would be around £2k-£6.5k and the annual cost of the post room assistants (including national insurance etc and uniforms) around £80k.

8. The Applicant submits that the costs of the proposed works are recoverable under the lease. They rely in particular on the following provisions:

Sch. 8, Part 1, para 2.3: The Management Company may withhold add to or extend vary or alter the Services or any of them from time to time so long as in doing so the Management Company complies with the principles of good estate management and acts reasonably in all the circumstances;

Sch. 8, Part 1, para 3.4 and para 3.5: The Management Company has absolute discretion as to which head of expenditure an item shall fall within (e.g. "Block Expenditure" or "Estate Expenditure") and to apportion any sum expended between the various heads of expenditure as it considers appropriate;

Sch. 8 Part 2 the "Block Services" (for which the service charge is payable) include:

Para 1: maintaining inspecting repairing preserving protecting decorating and (where beyond economic repair or obsolete) renewing replacing or rebuilding the Block and ... contributing towards the maintenance repair preservation protection decoration and (where beyond economic repair or obsolete) renewal replacing or rebuilding of ... other conveniences, services or facilities which may belong to or be used for the Block either

exclusively or in common with any other premises adjoining or near thereto

Para 3: Operating inspecting testing maintaining altering cleaning repairing and (where beyond economic repair or obsolete) renewing or replacing all ... machinery serving the Blocks;

Para 6: Providing inspecting testing maintaining repairing and (where beyond economic repair or obsolete) renewing or replacing any equipment including alarms gates barriers means of surveillance (including CCTV) fencing and lighting video access and security services for the security of the Block;

Para 12: Employing staff (including in addition to the costs of base salaries the costs of uniforms overtime pension contributions bonuses national insurance health and death in service insurance training season ticket loans and any other benefits or allowances to the extent reasonably required in order to employ and retain staff of a calibre commensurate with the character of the Estate);

Para 13: Providing inspecting maintaining cleaning repairing decorating heating and lighting any accommodation and facilities for any staff including all rates rent and outgoings and other costs incurred in connection with the provision of such accommodation or facilities;

Para 14: Providing materials and equipment needed from time to time for the proper performance of the duties of any staff;

Para 17: Providing such further services as may from time to time be consistent with the principles of good estate management and/or preserving the amenities of the Block;

Para 18: Employing or retaining any solicitor barrister accountant surveyor valuer architect engineer managing agent or management company ... in connection with the management administration repair and maintenance of the Block;

Para 22: Providing equipping and operating amenities for persons visiting the private residential parts of the Block including reception facilities;

Para 25: Any other reasonable and proper expenses incurred by the Management Company in providing any of the Block Services prior to reimbursement.

Sch. 8 Part 3: the "Estate Services" (for which the service charge is payable)

include:

Para 15: Providing materials and equipment needed from time to time for the proper performance of the duties of any staff;

Para 18: Providing such further services as may from time to time be consistent with the principles of good estate management and/or preserving the amenities of the Estate or the Estate Common Parts;

Para 23: Any other reasonable and proper expenses incurred by the Management Company in respect of the Estate Common Parts.

9. The Applicant previously consulted on the proposed changes. There was general support amongst leaseholders.

10. At the hearing on 6th March 2025 the Applicant was represented by Ceri Edmonds. She outlined the submissions detailed above.

Determination

11. The Tribunal considers that the works proposed are prudent as they will generate savings in the service charge budget. We also consider that the lease is wide enough to allow recovery for the proposed works. Accordingly, we determine that the proposed estimated costs of the works over the periods 2024-2025 and 2025-2026 are reasonable and payable under the lease.

Judge Shepherd

27th March 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 First-tier 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).