



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

Case Reference : **MAN/00BY/LSC/2022/0105**

Property : **Apt 22 Westminster Chambers, 1 Crosshall Street,
Liverpool L1 6DQ**

Applicant : **Ms Siobhan Davies**

Respondent : **Wallace Estates Limited**
Representative : **Mr Stevenson**

Type of Application : **Landlord and Tenant Act 1985 – s27A**

Tribunal Members : **Judge K Southby
Ms J O’Hare
Mr J Faulkner**

**Date and venue of
Hearing** : **1 May 2025
Video hearing**

Date of Decision : **15 May 2025**

DECISION

DECISION

- A. Wallace Estates Limited is substituted as the Respondent in this matter**
- B. In respect of the service charge years from 2016 to 2023 inclusive, the service charge is payable in full by the Applicant to the Respondent.**

REASONS

Preliminary and background

1. An application dated 22 November 2022 was made to the Tribunal by the Applicant under section 27A of the Landlord and Tenant Act 1985 (“the 1985 Act”) for a determination of liability to pay, and reasonableness of, service charges in relation to Apt 22 Westminster Chambers, 1 Crosshall Street, Liverpool L1 6DQ (“the Property”). The application related to the service charge years from 2016 to 2023 inclusive and was made by Ms Davies as owner of a 250 year lease (commencing 1 January 2005) of the apartment.
2. The Respondent was named in Ms Davies’ Application Form as Wallace Partnership Group. It was identified by the Representative for the Respondent in the Respondent’s Statement of Case that the landlord of the Property as Freeholder of the Building is Wallace Estates Limited as evidenced by the Freehold Title and Plan. The Tribunal satisfied itself that Wallace Estates Limited acquired the Freehold of the Building on 17 July 2014 prior to the commencement of the relevant period in this claim.
3. The Tribunal also satisfied itself that it was in accordance with the overriding objective to substitute Wallace Estate Limited as the Respondent in this matter, being the correct party, and this having been confirmed as the intention of the Applicant, and there being no objection from the Representative on behalf of either Wallace Partnership Group or Wallace Estates Limited.
4. Directions were issued by the Tribunal on 10 June 2024.

Inspection

5. No inspection of the Property was considered necessary by the Tribunal and so an inspection was not conducted.

Hearing

6. The Hearing took place by Video Hearing.
7. Ms Davies attended. There were no witnesses.

8. Mr Stevenson represented the Respondent. The witnesses were Ms Berry and Mr Tolley-Hall.
9. Mr Roberts attended as an observer.
10. There were no significant connection difficulties, and the parties confirmed that they could see and hear the proceedings and were able to fully participate.
11. The Tribunal confirmed with the parties that the relevant documents for the Tribunal to refer to were as follows:
 - a. The Tribunal directions dated 10 June 2024
 - b. The Applicant's email Statement of Case dated 20 January 2024
 - c. The Respondent's Statement of Case and attached documents (146 pages)

The Leases and the service charge machinery

12. The Tribunal was provided with a copy of the Lease for Apt 22 1 Crosshall Street Liverpool.
13. Ms Davies in her Statement of Case queries the reasonableness and payability of charges for Insurance, Caretaking, Window Cleaning and Repairs and Maintenance. She does not dispute that these charges are recoverable under the terms of the Lease.
14. The Insurance obligation of the Landlord is at clause 6.3 of the Lease.
15. The caretaking, window cleaning and maintenance obligations of the Landlord are at clauses 6.1 to 6.6, 6.8 and 6.12 of the Sixth Schedule of the Lease.
16. The Applicant's obligations to pay the Service Charge are set out in the Sixth Schedule, Clauses 1 to 5.

Law

17. Section 27A(1) of the 1985 Act provides:

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.*

18. The Tribunal is "the appropriate tribunal" for these purposes, and it has jurisdiction to make a determination under section 27A of the 1985 Act whether or not any payment has been made.

19. The meaning of the expression “service charge” is set out in section 18(1) of the 1985 Act. It 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.*

20. In making any determination under section 27A, the Tribunal must have regard to section 19 of the 1985 Act, subsection (1) of which provides:

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.

21. “Relevant costs” are defined for these purposes by section 18(2) of the 1985 Act as:

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.

22. Section 20B(1) of the 1985 Act provides:

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.

23. Section 20B(2) provides an exception from this principle for cases where, during the initial 18 month period, the tenant has been given written notice that the costs in question have been incurred and that he or she will subsequently be required to contribute to them.

The Issues

24. The Applicant raises the following issues for the Service Charge years 2016 to 2023 through her Application Form, email Statement of Case and oral submissions which we have considered in turn:

Insurance

25. Ms Davies queries the fact that the identity of the Insurer had not changed during the relevant period for her claim and seeks justification both for the choice of Insurer and also for the competitiveness of the premium. She queries the increase in charges, particularly in 2022. She stated that she had had verbal conversations relating to the insurance cost in other similar buildings which had led her to believe that the premium at the Property was too high, but she did not have any comparable quotes or evidence to refer the Tribunal to.
26. The Tribunal had both oral and written evidence from Ms Berry of Albanwise Insurance Services who are responsible for arranging the insurance of the Building in which the Property is located. Ms Berry informed the Tribunal that the rise in Insurance Premiums was due in large part to a rise in the reinstatement value, and that the Insurance Rate remained largely stable from 2016 to 2020. An increase in 2021 was due to two ongoing claims from 2020. She confirmed that there had not been a tendering process between 2016 and 2023, as Albanwise were satisfied based upon their market knowledge that the premium was competitive, although the insurance for the Property was put out to tender in 2024. She stated that as a Grade 2 listed large Building with Commercial premises on the ground floor the range of available insurers offering the right level of premium together with appropriate customer service levels was limited, and that there were benefits to developing a loyalty relationship with a provider.
27. The Tribunal found Ms Berry to be a persuasive witness. We have no reason to doubt her evidence and no contrary evidence to suggest that the premiums for the Property are unreasonable. It being agreed that these sums are recoverable under the terms of the Lease we find them to be both reasonable and payable in their entirety for the totality of the period in question.

Caretaking

28. Ms Davies queries why the service provider (AWPS) has not changed from 2016 to 2023, and also queries the frequency and standard of the service provided.
29. Mr Tolley-Hall, Senior Estates Manager at Premier Estates Limited provided both oral and written evidence to the Tribunal. He confirmed that Premier Estates carries out monthly site inspections and that when he has carried those out personally he has always been satisfied with the level of service provided by the contractor. The Caretakers clean weekly but are on site every day other than Thursdays for a range of tasks including putting the bins out and taking meter readings. He stated that since the standard of service was satisfactory and costs had remained relatively static there was no reason to retender the contract.
30. Ms Davies expressed concern about issues concerning security and the subletting of apartments through Airbnb. She confirmed that she attends the property approximately monthly and receives regular photo updates from her tenants. She did not dispute that cleaning and inspections were occurring in

accordance with the schedule set out by Mr Tolley-Hall. Ms Davies did not provide any alternative quotations for the equivalent service.

31. The Tribunal found Mr Tolley-Hall to be a persuasive witness, and we accept his evidence. There is no contrary evidence or alternative quotations for the Tribunal to consider. We note that Ms Davies accepts that the service is being provided in line with the terms of the contract. On that basis we conclude that she is receiving the service for which she is paying through the service charge. We understand her concerns about additional issues arising due to vagrancy, subletting and security concerns, but if the Property requires a higher level of service or more frequent inspection/caretaking then that is a different question to the one which is before the Tribunal for determination. Likewise, if, as Ms Davies suggests, there is subletting of apartments through Airbnb and if, again as Ms Davies suggests, this is contrary to the Lease, this is not a matter which falls for us to determine under a service charge application, but would potentially be a question of whether or not there had been a breach of covenant. We make no finding as to whether or not there has been any such breach, and do not make any determination as to what the Lease states in this regard as that is outside the scope of our jurisdiction in this claim.
32. in the absence of any contrary evidence, and having accepted the evidence of Mr Tolley-Hall, we are not persuaded that the sums charged for caretaking over the relevant period for 2106 to 2023 are unreasonable and we therefore determine that this element of the Service Charge is payable in full.

Window Cleaning

33. Ms Davies in her Statement of Case queries the cost increase for window cleaning in 2026 and cost decrease in 2022. She confirmed that Mr Tolley-Hall had answered these queries in his witness statement.
34. No alternative quotations have been provided for window cleaning. It is not suggested by Ms Davies that window cleaning has not taken place in accordance with the service level for which she is being charged, and it would appear that having received clarification from Mr Tolley-Hall, the queries raised in her Statement of Case have been answered. We have no reason to disbelieve the evidence of Mr Tolley-Hall, and have no contrary evidence to suggest that these charges are unreasonable or not payable. Accordingly we find them to be both reasonable and payable in full.

Repairs and Maintenance

35. Ms Davies in her Statement of Case queries why the service provider has not changed and a breakdown of project management costs in respect of LED lighting in September 2022. She confirmed that Mr Tolley-Hall's statement had answered her queries. No alternative quotations for the services have been provided and no evidence that the service is not being delivered in accordance with that for which she is being charged.
36. No alternative quotations have been provided for window cleaning. It is not suggested by Ms Davies that window cleaning has not taken place, and it

would appear that having received clarification from Mr Tolley-Hall, the queries raised in her Statement of Case have been answered. We have no reason to disbelieve the evidence of Mr Tolley-Hall, and have no contrary evidence to suggest that these charges are unreasonable or not payable. Accordingly we find them to be both reasonable and payable in full.

Costs

37. Ms Davies has not made an application under s20C, that the Landlord's costs in connection with these proceedings should not be added to the service charge account. Accordingly we have not considered this any further.

Concluding remarks

38. Ms Davies clearly has some concerns about the ongoing management of the Building and the manner in which some aspects of antisocial behaviour and other conduct are, in her view, negatively impacting her Property. Whilst these concerns are understandable and may well merit further exploration, they do not fall within the scope of this Tribunal and therefore we are not able to consider them any further.
39. The Tribunal has carefully considered all of the evidence both oral and written even if we have not made specific reference to it. We find that we are not persuaded that there are any elements of the Service Charge which should be disallowed. We find the Service Charge to be reasonable and payable in full.