FIRST-TIER TRIBUNAL
PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Tribunal case reference	:	**CAM/26UC/LSC/2024/0612**
Property	:	**224B High Street, Berkhamsted, HP4 1AG**
Applicant	:	**Mr S. Green**
Respondent	:	**LISA Property Limited**
Representative	:	**Praxis Block Management Limited**
Type of application	:	**Liability to pay service charges (sections 27A and 20C Landlord and Tenant Act 1985)**
Tribunal members	:	**Judge Hunt** **Mr R. Thomas MRICS**
Date of hearing	:	**16 June 2025 (remote hearing)**
Appearances at hearing	:	**Mr S. Green** **Mr A. Nath (for the Respondent)**
Date of decision	:	**17 June 2025**

DECISION

1. The service charges payable by the Applicant to the Respondent for the period 17 November 2020 – 16 June 2025 amount to £1,502.57, as follows.
    a. 2020: £100.60.
    b. 2021: £343.62.
    c. 2022: £371.11.
    d. 2023: £343.62.

e. 2024: £343.62.

2. No part of the Respondent's costs in connection with these proceedings is to be charged to the Applicant, whether as a service or an administration charge.

3. The Respondent must pay to the Applicant the sum of £330 in reimbursement of Tribunal fees paid, which may be set-off against the service charges payable.

REASONS

Introduction

1. The Respondent is the freehold owner of the premises known as 224B High Street, Berkhamsted, HP4 1AG ("224B"). 224B is the first-floor flat in a building compromising 2 flats. The Applicant is the leaseholder of 224B, which he sub-lets.

2. The Respondent purchased the freehold in or around November 2020. It has appointed Praxis Block Management Limited to manage 224B on its behalf. It has made numerous service charge demands since its purchase, beginning December 2020, relating to insurance and management. The Applicant has challenged all of the sums demanded from him.

3. By the time of the hearing, relatively few matters were in dispute. The Respondent has accepted that the parties' lease does not allow it to charge property management and similar fees to the Applicant. The only service charges payable under the lease relate principally to insurance, repairs and maintenance.

4. The issues for the Tribunal to decide are whether the sums claimed, or any part of them, are payable.

5. The Respondent has taken a limited role in the proceedings and was debarred from further participation with effect from 6 June 2025. In doing so, Judge Wyatt stated that "*matters may be determined summarily against*" the Respondent. Nevertheless, it is apparent that some engagement had taken place between the parties in parallel to these proceedings in a genuine effort to resolve them. The Respondent attended the hearing. In those circumstances, the Tribunal allowed the Respondent to answer questions and make submissions, although it clarified that the Respondent would not have an opportunity to present any documentary evidence (it did not seek to do so in any event).

6. The Tribunal heard from both parties and considered a small file of documents provided by the Applicant. It is grateful to both for their evidence and submissions. Few findings of fact had to be made. When they were, they were made on the balance of probabilities in light of all of the available information.

Relevant Law

7. The Landlord and Tenant Act 1985 provides a statutory framework for the management of service charges imposed by a landlord on a tenant. Section 18 provides a broad definition of "service charge" and "relevant costs".

8. Section 19 limits the amount of "relevant costs" that can be recovered through a service charge, as follows.

> "***19. Limitation of service charges: reasonableness***
>
> *(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 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*".

9. Section 27A explains how service charge disputes are to be resolved. It provides as follows, so far as is relevant.

> "***27A. Liability to pay services charges: jurisdiction***
>
> *(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*".

10. Section 20C provides that a landlord's costs in connection with legal proceedings, such as the application before this Tribunal, can be excluded from a service charge:

"***20C. Limitation of service charges: costs of proceedings***

(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 leasehold valuation tribunal or the First-tier 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.

...

(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".

11. A similar provision in relation to administration charges is found at paragraph 5A of schedule 11 to the Commonhold and Leasehold Reform Act 2002.

12. Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 allows the Tribunal to order a party to reimburse another party for any Tribunal fees paid.

The Lease

13. The Tribunal was provided with a copy of the lease relating to the Property. Clause 3.2 of the lease provides that the Applicant will pay the "*insurance rent within 7 days after being notified in writing of the amount of it*". The "insurance rent" is defined in clause 2.1 as "*the sums the Landlord spends each year during the lease period to insure the property as required by this lease*". The insurance requirements are stipulated at clause 4.2.

"*(b) The conditions with which an insurance policy must comply are:*

(i) cover is provided against the following risks ('insured risks'), so far as that cover is generally available for that type of building:
[usual risks are specified]
and other risks which the Landlord from time to time reasonably considers should be covered
(ii) the sum which is insured is at least the full rebuilding cost of the building, and any additions to it which should be insured, plus an appropriate percentage for professional fees and three years' loss of rent
(iii) the policy is issued by a reputable insurance office or at Lloyd's".

14. Clause 3.3 provides that the Applicant will pay the Respondent "*on demand 50% of the amount spent in carrying out the obligations in this lease to provide services as are referred to in the Third Schedule to this Lease*". In clause 4.5, the Respondent commits to "*provide the services listed in the third schedule*". The clause stipulates that it "*may engage the services of whatever employees, agents, contractors, consultants and advisors*" it considers necessary.

15. The third schedule is as follows:

> "*Services to be provided*
>
> *1 Repairing and maintaining the roof, main structure and foundations of the Building (including the structure and roof and decking of the canopied entrance way) and its grounds which serve both the property and other parts of the Building*
> *2 Decorating the outside of the Building every five years*
> *3 Repairing and maintaining those sewers, drains, pipes, wires and cables in the Building and its grounds, and boundary walls and structures (if any) which serve both the property and other parts of the Building*
> *4 Keeping the access way hatched blue on the plan and boundary walls + structures (if any) repaired and maintained and reasonably clean and where appropriate lit*".

The Service Charges

<u>Insurance – Facts</u>

16. In or around April 2020, the Applicant paid 50% of the annual insurance premium for 224B. The premium was £277.98, so he paid £138.99. This was broadly in line with the preceding year's contribution of £134.94. The only policy schedule from this period that the Tribunal had been provided with related to the 2019-2020 insurance year. The insurance had been arranged with Aviva Insurance Limited ("Aviva") via a broker. The sum insured was £124,729. The insurance related solely to 224B, the schedule clearly stating "224B High Street" as the "Risk Address". The 2020-2021 premium being similar and no other differences noted, the Tribunal found the corresponding annual insurance policy was also taken out with Aviva via the same brokers, relating to 224B only (i.e. not the whole building). The Tribunal noted that reinstatement values are typically prepared on a m^2 basis, and that flat 224A and 224B High Street share a similar footprint. Accordingly, it concluded that the

reinstatement value of the building was considered to be around £249,458 (2 x £124,729).

17. The Applicant did not expect to pay any further contribution towards insurance until April 2021.

18. However, the freehold to the Property was sold to the Respondent in or around November 2020. At the hearing, the Respondent's representative said that the insurance was transferred to the Respondent upon the purchase. The Respondent wished to procure its own insurance so cancelled the policy and took out another with effect from 17 November 2020.

19. The Respondent owns the freehold to a number of properties. For administrative convenience, it insures them all under annual policies effective from 24 June each year. It therefore purchased insurance only for the period 17 November 2020 to 23 June 2021, so as to fall in line with its other insurance policies thereafter.

20. In a departure from the previous arrangement, the Respondent took out a single policy for the whole building. The initial premium amounted to £402.38. 50% of this was charged to the Applicant by way of service charge demand – £201.19.

21. On 4 December 2020, a partial reimbursement of the previous policy premium was credited to the Applicant, in the sum of £45.70.

22. The Applicant's share of the annual insurance premium for 24 June 2021 – 23 June 2022 amounted to £343.62. The Respondent had procured the insurance through a broker – Citygate Insurance Services Limited ("Citygate"). The policy certificate provided in the file (p.157) names the insurer as "NIG" and states that the risk address was "*224A & B High Street*" (i.e. the whole building). The "*Building Declared Value*" was recorded as £283,171. The "*Building Insured Value*" was given as £382,281. Citygate describe the former as the reinstatement value, and the latter as the reinstatement value plus 35% to account for likely inflation between the inception of the policy and the date of any ultimate reinstatement subsequent to an insured risk eventuating.

23. The same broker arranged for insurance with NIG the following year, again for the whole building (p.158). However, the reinstatement value had increased markedly to £1,399,000. The premium increased markedly also, to £3,669.15. The Applicant's 50% share was calculated as £1,849.58, which was demanded from him on 6 July 2022.

24. The Applicant asked for an explanation of the increase and was informed that the building had been grossly undervalued according to a recent building valuation. The valuation was dated 17 May 2022 (around a month prior to the renewal). The property reinstatement value was estimated as £1,399,000, which was reflected in the "building declared value" on the certificate of insurance. It was inclusive of demolition, external works, professional and other fees.

25. As it transpires, the building's reinstatement value had not increased by an extraordinary 500% in a year. In fact, the valuation related to the building next-door to 224B, which is a Grade II-listed building of around 322m^2. 224B is neither listed nor of a similar size – the entire building within which it is situated measures approximately 75m^2.

26. Upon the Applicant pointing this out to the Respondent on 5 September 2022, the issue was eventually rectified in December 2022. The service charge was rescinded and a new policy issued with a premium of £837.46 (of which the Applicant's share was £418.73). The reinstatement value recorded was now £306,391. This being an increase of approximately 8% on the 2021 reinstatement value, the Tribunal concluded this derived from that figure. The service charge was demanded from the Applicant on 9 December 2022.

27. Somewhat concerned by what had happened, the Applicant commissioned his own reinstatement valuation from local chartered surveyor Robert Martell FRICS. On 23 April 2023, Mr Martell advised that the minimum reinstatement value would be £264,000 according to the standard Building Cost Information Service (BCIS) methodology. Although it was not provided with a copy of the email, the Tribunal concluded that the Applicant forwarded this on to the Respondent in or around April 2023. This is because he was by this point very concerned about the matter and heavily engaged with the Respondent about it in the latter part of the previous year. In December 2022 he made reference to having made contact with a local surveyor. He then followed through with that in March 2023. When he received the surveyor's report, he was aware the policy renewal date was approaching and it would seem peculiar not then to forward it on. He also refers to having sent it to the Respondent "*earlier in the year*" in an email dated 25 August 2023.

28. The Respondent alleges that it had also sought an insurance valuation. It says that it incurred a fee of £360 in 2021, 50% of which it demanded from the Applicant (£180). It appears in a document entitled "*Statement of Service Charges – Period Ended: 10 July 2021*". This has not clearly been charged in any service charge demand seen by the Tribunal (but appears to be part of the miscellaneous "*Interim Service Charge*" of £475 demanded on 13 July 2021). The Tribunal has not been provided with a copy

of any valuation report produced in 2021, any invoice or any other documentary support to show that any valuation actually took place. The 2021 reinstatement value was broadly in line with the reinstatement value produced in 2019 (allowing for an overall increase of approximately 13% over 2 years, which seems simply to take account of inflation). The Tribunal noted that a valuation report was commissioned the following year in May 2022 – as referenced above. There would have been no obvious reason for that had one been obtained the previous year. Furthermore, the Respondent confirmed at the hearing that the cost of only one insurance valuation was being sought. The only one seen by the Tribunal was dated May 2022. Taking all of this into account, the Tribunal concluded that no insurance valuation took place in 2021.

29. The Tribunal accepts that a valuation did take place in May 2022, however, as it has seen the report. Clearly a cost allegedly incurred prior to 10 July 2021 cannot relate to a valuation that took place almost a year later. It is possible that a further valuation report fee may be concealed within the further unspecified 2021-2022 "Interim Service Charge", but the Tribunal did not need to make any finding on that as will become clear.

30. For the year 2023-2024, the building reinstatement value had been increased to £333,936. The premium had increased to £884.53 (of which the Applicant's share amounted to £442.27).

31. The Applicant was dissatisfied with this and sought alternative quotations. On 25 August 2023 he wrote to the Respondent to say that, based on the reinstatement value of £264,000, he had "*obtained insurance quotes in the range of £217 - £486 rather than the £884.53 which you are proposing*". He asked the Respondent to review the premium accordingly. He also asked Citygate directly to do so. Although it had no other documentary proof of the quotations received, the Tribunal accepted that the Applicant had received quotes within that range. Otherwise, it is unlikely the Applicant would have pursued the matter as he did. Furthermore, the Tribunal accepted the quotes related to insurance of the whole building, not just 224B, as the reinstatement value given to the Applicant was for the whole building. He also went on to obtain a further quote in or around January 2024 of £194.96, which was included in the file, and related to both 224A and 224B High Street. The given reinstatement value was £264,000. The Applicant provided this quote to the Respondent on 22 May 2024. The Applicant obtained a further quote on 14 April 2025, on the basis of a reinstatement value of £300,000 for the whole building, which proposed a premium of £337.68. This was also included in the file.

32. For the final year in issue in these proceedings, 2024-2025, the Tribunal did not have a copy of the policy certificate. The Applicant states that the reinstatement cost has been estimated at £462,000. The Tribunal concluded that this was in fact the "Building Insured Value". Removing the 35% "buffer" that Citygate/NIG applies, this gives a reinstatement value of £342,222.22 (£462,000 / 1.35). This is more in line with the 2023-2024 adopted reinstatement value of £333,936. The premium had decreased slightly to £835.36 (of which the Applicant's share amounted to £417.68).

Insurance – Issues

33. The Applicant does not contest that he needs to pay for the insurance for 224B. He contests the premiums as unreasonable. He relies on three factors in support. Firstly, the significantly lower level of contributions under the previous freeholder. Secondly, the 3 April 2023 reinstatement valuation. Thirdly, the alternative quotes he received. Additionally, he contests the initial premium incurred on 17 November 2020 on the basis that it was unnecessary to have cancelled the policy that subsisted at the time.

34. The Respondent says that it uses a broker who provides competitive quotes. It said that it conducted a reinstatement valuation and used the figures obtained. As to the initial premium, it says that it chose to take out its own policy and credited the Applicant with the reimbursement received from the previous insurer.

Insurance – 2020

35. Taking matters chronologically, the Tribunal accepted that, in principle, it was open to the Respondent to consider arranging for new insurance upon purchasing the freehold. It was also entitled to make arrangements to line up the policy renewal with its other existing policies for administrative simplicity. However, in circumstances where the previous policy had been transferred and remained in place, it can only charge the Applicant any associated costs to the extent they are reasonably incurred.

36. In this case, the existing insurer was Aviva. There is no question that is a reputable insurer. The Respondent's habitual insurance renewal date of 24 June each year had passed. Its next habitual renewal date was not until around 3 months after the existing policy expired on or around 31 March 2021. The premium reimbursement relating to the existing policy was only £45.70, whereas the Applicant's contribution towards the replacement premium was £201.19. The difference is £155.49 (around 75% of the cost of the new premium). The Tribunal accepted that the Respondent would still be required to obtain around 3 months' insurance in April 2021 until its

habitual renewal date. However, cover for less than 3 months would unlikely cost 75% of the cost of a policy extending cover for over 7 months. Assuming a 3-month policy would cost around 50% of a 7-month policy (£100.60), that leaves the Applicant with an unnecessary additional charge of £54.89 (£155.59 - £100.60).

37. The Tribunal concluded that, in these circumstances, it was not reasonable to have replaced the existing policy in the way the Respondent did. It created an unnecessary cost for the Applicant with no tangible gain. Waiting for the existing policy to expire before taking out a short interim policy to 23 June 2021 would have created no additional work for the Respondent. Accepting that it would be unable to obtain any better evidence of the exact financial implications, the Tribunal concluded that the 2020 service charge should be limited to addressing the likely cost of the additional 3-month premium required for 1 April to 23 June 2021, assessed as £100.60.

38. The choice of insurance was otherwise not unreasonable for reasons addressed in relation to the 2021 insurance. Although a shorter premium is likely to be proportionately more expensive than an annual policy, there can be advantages to all parties for the Respondent to have a fixed insurance policy renewal date across all of its properties. It is not unreasonable for it to seek to arrange that, so the associated "one-off" additional cost to the Applicant was not unreasonably incurred.

39. The 2020 service charge is therefore payable in the sum of £100.60.

Insurance – 2021

40. As to the 2021 premium, the Tribunal noted the increase on the Aviva policy the previous year. However, the Applicant's previous service charge was not a valid comparison. There was no reason under the lease why he should only have paid 50% of the cost of insuring 224B. It is clear from the policy schedule that the building insurance to which he contributed related purely to 224B, not the whole building. The lease provides for the Applicant to pay 100% of the insurance costs relating to 224B. He contributes only 50% to the service costs, which he shares with his neighbour. To that extent, it appears that he was not being charged as much as he could have been by the previous freeholder on account of insurance. This practice does not constitute a formal variation of the lease, however.

41. The Applicant is still charged 50% of the insurance cost, but this is now arranged as building-wide cover, not restricted only to 224B. Accordingly a 50% share of the cost is appropriate and in line with the lease.

42. Viewed in this light, the appropriate comparison is between the Applicant's share of the new policy cost of £343.62 and the total previous premium for insuring just 224B – £277.98. The Respondent has some latitude to choose the policy it prefers, within reasonable limits. The Tribunal considered that the Aviva premium may well have increased to an extent year-on-year, so the difference between the 2 premiums would be reduced. The Tribunal concluded the cost of the new premium was not excessive or unreasonably incurred. It is therefore payable in full.

43. As the Tribunal concluded that no insurance valuation was obtained in 2021, no fee relating to it is payable. Accordingly, the 2021 service charge is payable in the sum of £343.62.

Insurance – 2022

44. As to the 2022 premium, putting aside the initial error, the Applicant's share was £418.73. This was a further significant increase of around 22% on the previous year's premium. The Tribunal concluded that this did not solely relate to the increase in assessed reinstatement value from £283,171 in 2021 to £306,391 (which was around 8%).

45. The Respondent has given no explanation for the increase. The Tribunal concluded the premium was higher due to the Respondent having initially taken out cover based on an entirely erroneous reinstatement value of £1,399,000. That error was entirely avoidable and resulted from carelessness. The cost associated with rectifying it was not reasonably incurred. The Tribunal had little information about alternative quotes from that time or what the premium might have been absent the error. It noted that the reinstatement value had increased by 8%, so concluded that an 8% increase should be allowed on the previous premium. This amounts to £371.11.

46. As to the cost of the 2022 reinstatement valuation report, it related to the wrong property. This was an entirely avoidable error. Even if a fee was incurred in relation to it, it was not reasonably incurred. Accordingly, it is not payable.

47. The total service charge payable for 2022 therefore amounts to £371.11.

Insurance – 2023

48. As to 2023, the building reinstatement value had been increased again, this time by around 9% to £333,936. The insurance premium had further increased to £884.53

(of which the Applicant's share amounted to £442.27). By this time, the Applicant had engaged significantly with the Respondent on the matter of insurance, including providing a reinstatement valuation of £264,000 (around 20% lower). He provided this to the Respondent in April 2023, 2 months before the policy renewal. He had also obtained insurance quotes himself from around the time, in the range of £217 - £486.

49. Up until this year, save for the issues highlighted above, the Respondent had done little that was manifestly unreasonable in reaching its choice of insurer. In 2023, it was aware of the Applicant's concerns about its insurance choices. It had been presented with evidence in good time prior to the renewal to suggest it was time to review its approach to insurance. It declined to do so. Although the Respondent has significant discretion in the matter of insurance, it must nevertheless exercise it reasonably for the premium to be considered reasonably incurred. The policy that it chose was "standard" buildings insurance. The only reinstatement revaluation it had undertaken was based on the wrong property. The only up-to-date valuation it had was provided by the Applicant. Alternative and far cheaper insurance options were available.

50. If the Respondent had good grounds for continuing with its current insurance arrangements, it has had the opportunity to share them. It has not. Accordingly, the Tribunal concludes that it had no good grounds for doing so. Choosing an insurer whose premiums significantly exceed those of its competitors without a sound explanation is unreasonable, thus the excessive premium has been unreasonably incurred.

51. The Tribunal had little good evidence of the alternative quotes obtained by the Applicant, the applicable terms or the extent to which they are genuinely comparable to Citygate/NIG's terms. The Tribunal also had little direct evidence of how the reinstatement value affected the premium, save to note that there is a clear and natural correlation between the two. The Tribunal accepted that the Respondent retains discretion to adopt a higher reinstatement value and not to pursue the cheapest quotes available, within the realms of what is reasonable. Taking account of all of these factors, the Tribunal concluded that the recoverable premium should be limited to £687.23 (the Applicant's share of which is £343.62). This was the premium paid in 2021 in relation to a similar (albeit slightly higher) reinstatement value than that recorded by Mr Martell. Although this premium remains significantly higher than the range of quotes obtained by the Applicant, allowance needs to be made both for the Respondent's discretion and that the detail of those quotes was unclear.

52. The service charge payable in relation to 2023 is therefore £343.62.

Insurance – 2024

53. As to the 2024 premium, the Tribunal adopts the same reasoning as applicable to 2023. Although the reinstatement value may have increased by an extent, the premium was based on a higher valuation than that provided by Mr Martell, so allowance is made for that. Also, alternative quotes provided by the Applicant suggest that insurance remained available at significantly lower cost.

54. The service charge payable on account of insurance in relation to 2024 is therefore £343.62.

Other charges

55. We now turn to the other service charges under challenge (asbestos and health and safety reports, and gutter cleaning expenses).

56. A consistent theme is that the Tribunal has seen no evidence that any of these expenses were in fact incurred. No reports or invoices have been produced, no explanation of when they took place has been provided, no details of the contractors appointed has been supplied. The only evidence available is that the Applicant said that he was not aware of any of the services taking place, nor has he been informed of such by his neighbour or tenant. He says that there is no sign of anything having been done. The Respondent presented no contrary evidence.

57. The Tribunal concluded that the activities had not therefore taken place and no service charge is payable in relation to them.

58. This conclusion is reinforced by matters of principle, as far as the reports are concerned. In relation to the asbestos survey, the Applicant pointed out that the building was constructed in 2003, 4 years after asbestos was finally banned for use in residential premises (after a lengthy lead-in time, during which its use was being heavily phased out). The Applicant is unaware of the presence of asbestos and has no reason to suspect its presence. The Respondent was not aware of any particular risk or reports of asbestos, but says that it has a general policy of checking. Laudable conduct as that may be, if there is no good reason to commission a report (and the Tribunal concludes that there was not), it is not reasonable to incur a charge for it (certainly to pass that charge on to the Applicant). Furthermore, if the report is not genuinely undertaken as part of repairs or maintenance, it would be better described

as management costs, which are not recoverable under the lease. Of course, the Respondent is entirely free to commission such reports for its own purposes. It must however be at its own expense.

59. In relation to the health and safety report, it may be that the lease allows for certain costs to be incurred in maintaining the building. However, it has very few common parts, none of which are internal and the Respondent's responsibility. The outdoor areas are very limited and there have been no reports of damage or unsafe surfaces. If the preparation of the reports is in truth a management expense rather than genuine maintenance, their cost would not be recoverable under the lease. As the Tribunal concluded the check did not take place, it did not need to consider that matter further. It notes however that there was no evidence of any maintenance works being envisaged or undertaken. It also had reservations about the reasonableness of arranging for a report at a cost of £300 in circumstances where a simple exchange of emails/photos with the Applicant (with whom it was in regular contact) would likely have served the same purpose.

60. As to the gutter cleaning, the Applicant accepted that this could, in principle, be a recoverable cost under the lease. He also submitted that the contractor chosen was unreasonably expensive (£159.50 x 2 = £319), supplying an alternative quote of around half the cost (£158.40). Opting for a contractor offering services at twice the cost may or may not be reasonable, depending on the circumstances. All the Tribunal will add is that, if the Respondent does procure gutter-cleaning services, it may wish to consider the alternative provider of which it is now aware.

Costs

78. The Applicant has succeeded with his application in several significant respects. The Respondent provided limited assistance during the proceedings, including failing to comply with Tribunal directions. It is likely that the Respondent incurred minimal costs. In these circumstances, the Tribunal determined that it would be just and equitable to allow the Applicants' application under section 20C of the Landlord and Tenant Act 1985.

79. The Applicant also requested an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002, which would be of similar effect. It would prevent the Respondent from seeking to impose an administration charge referrable to the costs of these proceedings. Although it did not consider the issue in any depth, the Tribunal did not consider that any provision of the lease would allow the Respondent to do so. Nevertheless, in case it is mistaken, for the same reasons as above the order is justified.

80. The Tribunal therefore orders that no part of the Respondent's costs in connection with these proceedings are to be charged to the Applicant.

81. For similar reasons the Tribunal orders that the Respondent must reimburse the Tribunal fees paid by the Applicant, in the sum of £330. Although the Tribunal recognises that reasonable efforts were made to settle the dispute, the Respondent's "final offer" was in the sum of £2,417.29. The Tribunal has determined that only £1,502.57 is payable on account of the disputed service charges. This is a significantly lower sum than the Applicant could have achieved without pursuing the proceedings to their conclusion. He therefore behaved entirely reasonably in doing so and should not have to bear the cost.

Judge Hunt

17 June 2025