

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

Case reference : LON/00AY/LSC/2024/0514

Property : Flats 1 and 3, 61 Thurlestone Road,

London SE27 oPE

Applicant : Douglas da Costa

**Representative** : In person

**Respondent** : Temilade Adewoyin

Representative : Mr Osborne of Counsel

Type of application : An application under section 27A

**Landlord and Tenant Act 1985** 

Tribunal Judge I Mohabir

Tribunal : Ms J Rodericks MRICS

**Mr C Piarroux JP CQSW** 

Date of Decision : 25 July 2025

### **DECISION**

## **Background**

- 1. The Applicant seeks a determination under section 27A of the Landlord and Tenant Act 1985 ("the Act") (as amended) as to whether service charges are payable. The Respondent is the tenant of Flats 1 and 3 in the property known as 61 Thurlestone Road, London, SE27 oPE ("the property"). The application relates to the year 2018, the service charge year running from 25 March to 24 March.
- 2. The background to this case was helpfully set out in the Tribunal's directions in the following way.
- 3. The property is a Victorian semi-detached house in West Norwood which has been converted to create three flats. The freehold of the property was held by Adefola Adewoyin, a relative of the Respondent. However, he defaulted on his mortgage payments and the mortgagee repossessed the property. On 23 May 2007, Mr Adewoyin granted the Respondent a leasehold interest in Flat 3 (Top Floor) and on 11 June 2007 a leasehold interest in Flat 1 (Ground Floor). On 17 March 2010, the mortgagee, B M Samuels Finance Group Limited granted a leasehold interest in Flat 2 (First Floor) to the Applicant. On 13 July 2012, the Applicant acquired the freehold interest. On 12 January 2024, The Applicant sold his leasehold interest in Flat 2 to Rolax Estates Limited.
- On 9 August 2024, the tenants served a Notice of Claim pursuant to 4. section 13 of the Leasehold Reform, Housing and Urban Development Act 1993 through a nominee purchaser. On 18 September 2024, the nominee purchaser issued application to this an (LLON/00AY/OCE/2024/0601) seeking a determination as to the terms of the acquisition. On 8 January 2025, the tribunal issued Re-Amended Directions with a view to setting the matter down for hearing between 10 March and 18 April 2025. The parties hope that there will be an overall settlement of all issues so that this application does not need to be determined.
- 5. The leases granted in respect of Flats 1 and 3 were on the same terms. The Respondent conceded that she is contractually obliged to pay a service charge contribution for both flats pursuant to the covenant to do so under clause 4 and paragraph (3) in Part II in the Fourth Schedule to the leases. The Seventh Schedule to the leases sets out what service charge expenditure is recoverable from the lessee. The Respondent also conceded that the heads of expenditure claimed by the Applicant fall within the Seventh Schedule. Each lessee is obliged to pay a one third share of the overall service charge expenditure for each year.
- 6. The disputed heads of expenditure for 2018 are:

Cleaning and supplies

£455

Management and supervision fees £1,829

Professional fees £1,290

Major Works in the cellar £8,340

- 7. The challenges made by the Respondent were:
  - (a) the costs were not properly incurred and/or reasonable because of a lack of supporting evidence.
  - (b) there had been a failure to carry out statutory consultation in relation to the major works in the cellar.

These are dealt with in turn below.

#### Relevant Law

8. This is set out in the Appendix annexed hereto.

### Hearing

- 9. The hearing in this case took place on 14 July 2025. The Applicant appeared in person. The Respondent was represented by Mr Osborne of Counsel.
- 10. The only evidence before the Tribunal was contained in the hearing bundle filed and served by the Applicant. The Tribunal raised the issue of the Respondent's complete failure to file and serve any evidence pursuant to the Tribunal's directions dated 14 January 2025 and amended on 20 January 2025.
- 11. No good reason was offered by Mr Osborne on behalf of the Respondent. It was for this reason his application to adjourn the hearing was refused and the hearing proceeded on the basis that the only evidence before the Tribunal was the Applicant's. Unless stated otherwise, the page references in bold in the decision are to the page references in the Applicant's bundle.
- 12. The Tribunal pointed out that in the absence of any evidence from the Respondent, she was in some difficulty in being able to establish that the costs in issue were either not reasonably incurred and/or reasonable in amount. Essentially, all the Respondent could do was put the Applicant to proof by way of cross-examination.

## Cleaning & Supplies

13. The Applicant gave evidence that the cleaning of the common parts was carried out by a firm known as Asset Commercial who cleaned the ground floor hallway, staircase, cellar and carpets. This was supported by the relevant invoices [234-240]. No further challenge was made by the Respondent.

### Management & Supervision Fees

14. This service is provided by the firm of Small Property Management Limited of which the Applicant is the Director. Although the Applicant initially demanded the total sum of £1,829, he limited the claim to £900 for this expenditure on the basis that this was the sum the Tribunal found to be reasonable in an earlier decision in 2015 between the parties. He withdrew the additional sums of £269, £135 and £375 demanded because he was unable to locate the relevant invoices. No further challenge was made by the Respondent to the reduced amount.

### **Professional Fees**

- 15. The sum of £1,290 is comprised of two invoices **[239-240]**. The first invoice is dated 30 June 2017 in the sum of £540 including VAT from Bradley Harris Limited, Chartered Surveyor for carrying out an inspection and advising on the condition of a dormer roof covering.
- 16. The second invoice is from Eng Design Building Services Consultants dated 30 June 2017 in the sum of £900 including VAT for a site survey and preparing a specification and drawing for plumbing alterations at the property. However, the Applicant limited the sum claimed for this expenditure to £750 including VAT to avoid the need to carry out statutory consultation under section 20 of the Act.
- 17. No further challenge was made by the Respondent to the overall reduced amount for these invoices.

### Major Works in the Cellar

18. The Applicant did not understand why this challenge was brought by the Respondent because he said that no demand had in fact been made for the cost of any major works to the cellar.

#### Decision

19. Having regard to the conclusive evidence provided by the Applicant and the various concessions he had fairly made in relation to the expenditure for cleaning, management and supervision fees and professional fees and the absence of any evidence from the Respondent, the Tribunal had little difficulty in finding that the overall expenditure in the sum of £2,645 was not only reasonably incurred but also reasonable in amount. The Respondent's liability for the two flats is, therefore, £881.66 per flat (1,763.33) payable 28 days from the date this decision is issued to the parties in the event that this amount has not already been paid by the mortgagee of each flat.

#### Fees

20. As to the fees of £330 paid for the application by the Applicant, given that he has succeeded entirely in the application, the Tribunal makes an order under Regulation 9 (below) for these to be reimbursed to him by the Respondent within 28 days of this decision being issued to the parties.

Name: Tribunal Judge I Mohabir Date: 25 July 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 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).

## **Appendix of relevant legislation**

## **Landlord and Tenant Act 1985**

### 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 a leasehold valuation 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 a leasehold valuation 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 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.

### Commonhold and Leasehold Reform Act 2002

# Schedule 11, paragraph 5A

- (1) A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.
- (2) The relevant court or tribunal may make whatever order on the application it considers to be just and equitable.
- (3) ...

## <u>Leasehold Valuation Tribunals (Fees)(England) Regulations</u> 2003

### Regulation 9

- (1) Subject to paragraph (2), in relation to any proceedings in respect of which a fee is payable under these Regulations a tribunal may require any party to the proceedings to reimburse any other party to the proceedings for the whole or part of any fees paid by him in respect of the proceedings.
- (2) A tribunal shall not require a party to make such reimbursement if, at the time the tribunal is considering whether or not to do so, the tribunal is satisfied that the party is in receipt of any of the benefits, the allowance or a certificate mentioned in regulation 8(1).