

# FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

**Case Reference**: HAV/00ML/LSC/2024/0506

**Property** : Flat 4, 3 Cavendish Place, Brighton, East

Sussex. BN1 2HS.

**Applicants** : Sevenbuild Properties Limited

**Representative** : Coole Bevis LLP (Anna Reade Davis)

**Respondent**: Chin Pui Perry Leung

**Type of Application**: Determination of liability to pay and

reasonableness of service charges Sections 27A and 19 Landlord and Tenant Act 1985

(LTA 1985)

**Tribunal Members**: Judge C A Rai

Date type and venue

of Hearing

**:** 22 May 2025

Decision on the papers without a hearing. Rule 31 The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013

**Date of Decision** : 25 August 2025

#### **DECISION**

1. The Tribunal determines that:-

- a. The Respondent is liable to pay the service charges demanded from him by the Applicant for the service years ending:-
  - June 23, 2022, £334.84
  - June 23, 2023, £1, 463.14 + £208.32 = £1,671.46
  - June 23, 2024, £9, 186.50
- b. The Respondent is not liable to pay the on account service charges for year ending 23 June 2025 £3,794.06.
- 2. The reasons for the Tribunal's decision are set out below.

### **Background**

- 3. The Applicant applied for a determination of the service charges payable by the Respondent for the service charge years ending on:
  - a. 23 June 2022,
  - **b.** 23 June 2003,
  - **c.** 23 June 2024 and the on account service charges for the year ending 23 June 2025.
- 4. The Application, dated 12 August 2024, relates to the service charges payable by the current leaseholder of Flat 4, 3 Cavendish Place Brighton, the "Property", who is the Respondent.
- 5. The Property was demised by a lease dated 3 September 2014, whereby the original 99 year term was surrendered in return for the grant of a new term of 189 years from 24 June 1989.
- 6. A copy of the current lease disclosed in the determination bundle [21] showed that the Applicant was the landlord at that date, but the tenant was not the Respondent. That bundle contained no documentary evidence which confirmed that the Respondent is the current owner of the Property or that the Applicant remained the freeholder.
- 7. The Tribunal issued its first directions on **15 January 2025** directing the parties to attend a case management and dispute resolution hearing on 26 February 2025. Paragraph 20 of the directions listed the matters which would be considered. Both parties were directed to exchanged position statements by 12 February 2025.
- 8. The Respondent did not attend the case management hearing but sent a statement explaining his absence and requesting the Tribunal consider his written statement.
- 9. Subsequently, the Tribunal issued further directions dated **4 March 2025** which required the parties to exchange statements and documents and the Applicant to prepare a bundle for a determination by the Tribunal without a hearing. Neither party subsequently requested a hearing. The Respondent did not comply with those directions and has submitted nothing further to the Applicant or the Tribunal.
- 10. Prior to this determination a procedural judge reviewed the determination bundle and decided that the proceedings were suitable for determination without a hearing.
- 11. When this Tribunal examined the determination bundle (prepared by the Applicant) it found that it did not include the Respondent's position statement.
- 12. The Tribunal was reluctant to determine the application without reviewing information which it was aware that the Respondent had submitted so it obtained a copy of the position statement from the Tribunal file, albeit that statement was later sent to the Tribunal by the Applicant. The Respondent's position statement disclosed that there had been several water leaks in the building which he claimed had

- damaged the Property. Copies of correspondence attached to that statement suggested that the delay in the Applicant dealing with his complaints may have influenced his failure to pay service charges.
- 13. The Tribunal delayed the completion of its determination and issued further directions dated **24 June 2025** requiring the Applicant to supply further evidence with regard to the Respondent's liability to pay the service charges and also to address the issues raised by the Respondent with regard to the delay in rectifying the defects in the building which the Respondent was claiming claimed had damaged the Property. It also directed the Respondent to confirm whether he was claiming set off and confirmed that the Tribunal would have jurisdiction to consider such a claim.
- 14. The Applicant submitted a further statement dated **7 July 2025**, together with a statement from Stuart Radley chartered building surveyor and director of the Managing Agent engaged by the Applicant to manage the building of which the Property forms part. It also submitted that since the Respondent had failed to comply with the Tribunals directions dated **4 March 2025**, he should be debarred from participating in the proceedings (Paragraph 20) [57].
- 15. Although the Tribunal's further directions, offered the Respondent an opportunity to make further submissions to it in response to those made by the Applicant he has not.
- 16. The Tribunal has received the determination bundle, (81 pages), the Respondent's Position Statement, to which various photographs (and video clips) relating to the condition of the Property and the building were attached, the Applicant's statement dated 7 July 2025 and a statement from Stuart Radley MRICS dated 7 July 2025. References to a number in square brackets are to the electronically numbered page in the original determination bundle.
- 17. The Tribunal has considered all the documents provided but not identified every bit of evidence relied upon in reaching its findings. It has taken account of the significance and complexity of the issues in dispute to the parties to reach its decision and of its overriding objective. It is grateful to the Applicant for providing the further information requested.

#### The Evidence

- 18. The Applicant provided evidence about the service charges, which it claims are due from the Respondent, for the service charge years ending in 2022, 2023, 2024 and the on account charges for 2025.
- 19. A summary of the amounts claimed is set out in the first statement made by Anna Reade Davis on behalf of the Applicant dated 18 March 2025. Copies of service charge demands for the three years are attached to her statement together with copies of the further demands for Excess Charges which were calculated following the issue of the annual service charge accounts for 2022 and 2023. [62 and 65]. Unfortunately, the

numerical references to documents in her statement do not match the page numbers in the bundle. The excess charge for 2024 (expenditure in excess of the estimated amounts demanded) does not form part of the Application. The service charges which the Applicant has claimed are outstanding are set out below.

a. Year ending 23.06.2022
Balancing Charge £334.84 [10]

b. Year ending 23.06.2023

Estimated contribution £1,463.14

Balancing Charge £208.32 [11]

c. Year ending 23.06.2024
Estimated contribution
(two payments)

£9,187 [12]

d. Year ending 23.06.2025 Estimated contribution until **31.12.2024** £3,794.06 [13]

- 20. The Applicant has provided the Tribunal with copies of some service charge demands, which are not filed in date order in the bundle. The balancing charge for the year ending June 2022 is shown on a demand dated 22 November 2023 (1650685) [71].
- 21. The two service charge payments due for the year ending June 2022 are shown on demands dated 23 May 2022 [65] and 14 February 2023 [62].
- 22. A demand, dated 24 May 2023, shows that £4,593.25 was demanded for the first payment due in the service charge year ending 23 June 2024 [74]. Another demand dated 22 November 2023, (1650722) records that £4,593.25 had been demanded and that the payment was due on 24 June 2023. This appears to be the second demand for the June 2023 payment. Paragraph 5 of the Applicant's first statement [60] refers to the second demand dated 22 November 2023. (1650722). This is the demand for the second instalment of the service charge of £4,593.25, due on 25 December 2023 [76].
- 23. An estimated schedule of expenditure for the year ending 23 June 2024 shows that the sum of £9,196.00 will be demanded "on account" for that year (from the Respondent), [73] but the Applicant has not disclosed copies of any demands for that service charge year. It has provided a copy of the accounts for the year ending June 2024 (dated 27 February 2025) which record service charge arrears of £14,752.64 (an increase of £11,909.96) from the amount shown in the 2023 accounts [79].
- 24. The Respondent's position statement, in which he set out his record of the problems he said he had encountered as a result of leaks to the building suggested that delays on the part of the Respondent in dealing with his complaints had resulted in significant damage to the Property.
- 25. Mr Radley, a chartered building surveyor, director of Stuart Radley Associates, has provided a statement to the Tribunal, in which he identified that there were three separate incidents relating to the Property. A timeline in his statement discloses that the Respondent's

- first complaint about a water leak (11 October 2017) was eventually resolved on 21 January 2019.
- 26. The second leak was reported verbally by the Respondent's cousin and the Applicant's property manager on 2 November 2011. Mr Radley states that repairs were undertaken as part of the major works contract but has not confirmed when the repairs were completed.
- 27. A third leak was reported on 11 September 2023. The Applicant's evidence is that it was unable to gain access to the Property to undertake repairs in January 2024 and that there was confusion as to the description of the leak, which it suggested that the Respondent's cousin may have mixed up with one, or both, of the earlier leaks (which had been repaired by January 2024).
- 28. Mr Radley has also stated that, until now, the Respondent has never sought reimbursement of costs now claimed to have been incurred by him, as a consequence of the leaks. Mr Radley said that some of the damage was attributable to the failure of the leaseholder of flat 6 to undertake repairs, although admitting that "in the end" the Applicant eventually undertook those repairs "to assist the Respondent".
- 29. Mr Radley has also provided information, which was omitted from the initial hearing bundle, to explain the significant increase in the service charges because of the increased allocation to reserves in both 2023/2024 and 2024/2025 which he explained, had been to fund two major works projects and to cover increases in the estimated costs of other scheduled works.
- 30. Mr Radley suggested that the gaps in responses in the correspondence between the parties, particularly in relation to the Respondent's correspondence about leaks are attributable to the delay in the Respondent dealing with that correspondence. He has provided confirmation that all major works expenditure had been notified to leaseholders, who were consulted prior to service charges being demanded.
- 31. The only submissions made by the Respondent to this Tribunal are in his position statement. Nothing further has been received from him by the Tribunal or the Applicant. He has not responded to any of the Tribunal directions issued after the case management hearing.
- 32. The Respondent stated that he received insufficient justification for "legal charges, interest and future demands included in the claim". He asked that the Tribunal consider the impact of the unresolved water leak on his property and financial position and review the validity of the service charge arrears and associated costs claimed by the Applicant.

### **Decision and Reasons**

33. The Respondent is contractually obliged to pay service charges to the Applicant by his lease of the Property. The original lease dated 23 November 1990 but was surrendered when an new lease was granted on

- 3 September 2014, which extended the term. The majority of the provisions in the original lease were not changed. The lessee covenanted to pay a defined proportion of the cost expenses outgoings and matters mentioned in the Fourth Schedule (Clause 4(2) (a))[33]. The proportion is to be estimated in advance of each service charge year (ending on 24 June) by the managing agents and payable in two equal instalments on 24 June and 25 December. Following the lessor ascertaining the actual expenditure for each service charge year it can demand any balance due from lessors or credit any overpayments to their service charge accounts.
- 34. The service charge demands disclosed in the bundle confirm that the majority of the service charges which the Applicant seeks to recover have been demanded from the Respondent. The demands are for service charges on account for the specified periods and balancing charges following the production of end of year accounts. The sums demanded include significant payments towards reserves to fund works to the building. There is no evidence of any demands for legal charges and or interest and the Tribunal is satisfied that the further evidence supplied by the Applicant in response to the July directions has provided it with the information missing from the determination bundle.
- 35. The Tribunal is satisfied that, insofar as it has evidence that the Applicant has demanded service charges, the demands are compliant with the provisions contained in the lease and the Act.
- 36. The Respondent has not submitted any justifiable claim for a "set off" for the costs he says he has incurred as a consequence of the Applicant's failure to repair leaks promptly.
- 37. The Tribunal has no jurisdiction to consider the impact of those leaks on the Applicant's property and financial position. The Respondent has been afforded the opportunity to make further submissions to the Tribunal but has not.
- 38. The Tribunal finds that the Respondent is liable to pay the service charges demanded for the service charge years ending 23 June 2022, 23 June 2023 and 23 June 2024.
- 39. Whilst the Tribunal accepts that the Applicant has confirmed it has demanded a payment on account for the first instalment of service charges due for the year ending 23 June 2025 the Applicant has failed to supply the Tribunal with a copy of the demand. Without that evidence the Tribunal cannot determine that the Respondent is liable for that charge.

40. Whilst aware that the directions dated 4 March 2025 record that it was agreed that the Tribunal determination would include the estimated service charges for the year ending 23 June 2025, the Applicant was not directed to supply information about that year, in its statement of truth. However, it was directed to supply copies of all documents on which it sought to rely, so should have provided a copy of the service charge demand for that "on account" payment.

Judge C A Rai

## **Appeals**

- 1. A person wishing to appeal this decision to the Upper Chamber must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision. Where possible you should send your further application for permission to appeal by email to **rpsouthern@justice.gov.uk** as this will enable the First-tier Tribunal to deal with it more efficiently.
- 3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
- 4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.