



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

Case reference : LON/00AY/LSC/2024/0717

Building : Flat 4, 29 Hayter Road, London, SW2
5AR

Applicant : Hayter Properties Limited

Representative : Callum McClean (Counsel) instructed by
George Ide LLP

Respondent : Radhika Kapur

Representative : Lorenzo Leoni (Counsel) instructed by
Bonallack & Bishop

Type of application : For the determination of the liability to
pay service charges under section 27A of
the Landlord and Tenant Act 1985

Tribunal members : Judge Robert Latham
Susan Coughlin MCIEH

**Date and venue of
hearing** : 1 September 2025 at
10 Alfred Place, London WC1E 7LR

Date of decision : 22 September 2025

DECISION

- (1) The Tribunal determines that the sum of £8,414.09 is payable in respect of service charges over the years 2016 to 2023 (see [60] below). The Tribunal has made deductions of £9,428.67 from the sums demanded (see [59] below).
- (2) The Tribunal makes orders for the limitation of the Applicant's costs in the proceedings under section 20C of the Landlord and Tenant Act 1985 and to extinguish the Respondent's liability to pay an administration charge in respect of litigation costs, under paragraph

5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

- (3) Since the Tribunal has no jurisdiction over county court costs and interest, this matter should now be referred back to the County Court at Kingston-upon-Thames.

Introduction

1. The Applicant landlord seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Respondent tenant. The Applicant has filed a Bundle of 735 pages to which reference will be made in this decision. This is poorly prepared and difficult to navigate.
2. The application relates to Flat 4, 29 Hayter Road, London, SW2 5AT ("the Flat"). 29 Hayter Road is a detached Victorian terrace building in Brixton. In 2005, it was converted to create six flats, three on each floor.
3. The building is arranged over three to four levels: Lower Ground; Raised Ground, 1st Floor and 2nd floors at the rear with a central entrance at Raised Ground level on Hayter Road. The building has a stepped floor design, and at the front due to higher ceiling heights, the stacking arrangement is Lower Ground, Raised Ground and 1st floor only. To the left is a street level passageway controlled by the neighbouring 27 Hayter Road which features a narrow gap separating this building from its nearest neighbour. Perimeter boundaries are composed of brick walls, with dug-out rear garden facilitating a Lower Ground level terrace area for the rear facing Lower Ground level flats. To the front is a Lower Ground light-well formed either side of the ascending staircase from street level to the RG level main entrance.
4. The Respondent's flat has two bedrooms and is on the Raised Ground floor. Each of the Raised Ground floor flats has access to a roof terrace. The two flats on the Lower Ground floor (Flats 1 and 2) both have water pumps which takes away the waste from the kitchen sinks and a limited amount of rainwater from the two roof terraces. They each have self-contained parts of the garden.
5. The Respondent complains of a history of mismanagement. On 25 August 2023, the tenants acquired the statutory Right to Manage ("RTM"). They state that no accrued uncommitted service charges were transferred by the landlord. On 27 January 2025, the tenants served a Claim Notice to acquire the freehold in the building, specifying a premium of £25,727. The Applicant did not serve a Counter-Notice by the specified date of 3 April 2025. The tenants have therefore

established a statutory right to have the freehold interest transferred to them.

The Application

6. On 11 December 2023 (p.1-12), the Applicant issued a claim form seeking a money judgment in the sum of £19,590.89. A defence was filed and the case was transferred to the County Court at Kingston-upon-Thames (Mo2YX440). On 12 August 2024, the matter was listed in front of DDJ Cheeseman. The Respondent had applied to strike out the case. An Unless Order was made, requiring the Applicant to serve Amended Particulars of Claim by 9 September. The Respondent was then permitted to serve an Amended Defence. The case was then to be transferred to this tribunal pursuant to section 176A of the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act"). The Applicant was ordered to pay the costs of and caused by the application. These were subsequently agreed in the sum of £5,000.
7. On 9 September 2024 (at A13-108), the Applicant served Amended Particulars of Claim. The Applicant claims (i) ground rent of £1,600 ; (ii) arrears of service charges of £23,551.01; but (iii) gives credit for payments of £9,970. The net sum claimed is £18,562.75. The Applicant further claims interest and costs. This Tribunal has no jurisdiction in respect of ground rent, interest or costs.
8. On 29 September 2024 (at p.109-151), the Respondent filed an Amended Defence. The Respondent raises the following issues:
 - (i) a significant element of the claim relates to works executed to the roof. The Respondent contends that the Applicant failed to comply with the statutory duty to consult. The Applicant also complains about the cost and the quality of these works.
 - (ii) whether part of the claim is statute barred by the Limitation Act 1980.
 - (iii) whether lawful demands had been made for the service charges;
 - (iv) the cost and quality of a number of the services that have been provided.
 - (v) orders are sought under section 20C of the 1985 Act and paragraph 5A of the 2002 Act.
9. Upon the case being transferred to this tribunal, it was stayed pending an application for dispensation in respect of the statutory consultation requirements. On 18 December 2024, the Applicant issued an

application for dispensation (LON/00AY/LDC/2025/0603). The six tenants were named as respondents. On 13 March 2025 (at p.178-183), a Tribunal determined this application. Dispensation was granted in respect of urgent additional safety works in the sum of £15,010 + VAT. The need for these additional works had been identified by Celador Consulting Limited ("Celador") and are addressed in a completion report, dated 9 March 2017 (at p.303-311). The Tribunal stressed that it was not considering whether these service charge costs would be reasonable and payable.

10. On 2 April 2025 (at p.172-174), the Tribunal gave Directions on this application. These were amended on 15 July 2025. Directions were made for disclosure and for the exchange of witness statements:

(i) The Applicant has served a witness statement from Christopher Case, the manager of SE1 Limited, the managing agents (at p.204-317).

(ii) The Respondent has filed a witness statement (at p.318-439).

The Hearing

11. The Applicant was represented by Mr Callum McClean (Counsel) instructed by George Ide LLP. He adduced evidence from Mr Case. Mr Case has been involved with the management of the building for a number of years. He had worked for Hampton Wick who had managed the building until it was taken over by SE1 Limited.
12. The Respondent was represented by Mr Lorenzo Leoni (Counsel) instructed by Bonallack & Bishop. He adduced evidence from the Respondent.
13. The Applicant had not apportioned the sums paid by the Respondent to ground rent or service charges. At the beginning of the hearing, the Tribunal required the Applicant to do this. Mr McClean apportioned £1,600 to extinguish the claim for ground rent. The remaining payments of £8,370 are therefore to be apportioned to the service charges.
14. Mr Leoni confirmed that the Respondent was not pursuing the following issues:

(i) The validity of the interim service charge demands. He abandoned any suggestion that they might be invalid due to minor defects in the light of the guidance laid down in *A1 Properties (Sunderland) Ltd v Tudor Studios RTM Company Ltd* [2024] UKSC 27; and

(ii) The Respondent now accepts that the service charges are not reserved as rent and are therefore not time-barred.

15. This case has been extremely badly prepared by both sides. The Tribunal afforded both parties the opportunity to seek an adjournment but warned them of the cost implications which might follow. Both parties asked the Tribunal to determine the case on the papers before us, and to do the best that we could to determine the case fairly and justly.

16. The Tribunal highlights the following difficulties that we have faced:

(i) This is a County Court transfer. Our jurisdiction is therefore limited to the issues raised in the pleadings. This Tribunal has no jurisdiction to permit any amendment to those pleadings (see *John Lennon v Ground Rents (Regisport) Limited* [2011] UKUT 330 (LC)).

(ii) The Amended Particulars of Claim do not include all the service charge demands raised between 2016 and 2023. The Applicant is restricted to the sums claimed.

(iii) Were this to have been a Section 27A application, the tribunal would have given Directions for the service of the relevant service charge demands and the preparation of a Scott Schedule. This has not occurred in this case.

(iv) No service charge accounts are included in the Bundle. These are required by the lease. Ms Kapur's uncontradicted evidence was that she had never been served with any service charge accounts. We accept her evidence. Late into the hearing (at 15.05), Mr McClean stated that he had secured access to the service charge accounts. He accepted that it was too late to adduce them in evidence.

(v) In the absence of the service charge accounts, the Respondent has challenged the interim service charges based on a budget, rather than the actual expenditure.

(vi) The Applicant has not served a Reply to the service charge challenges raised in the Amended Defence. In his witness statement, Mr Case only addresses the service charges in respect of the roofing works. Ms Kapur's evidence in respect of the services provided is therefore uncontradicted.

(vii) There are a large number of invoices in the Bundle. In his closing submissions, Mr McClean, for the Respondent, summarised the invoices which are in the Bundle for each service charge year. However, these are no substitute for service charge accounts.

17. Mr Case frankly accepted when he could not recall matters and was willing to make concessions when it was appropriate to do so. In particular, he conceded that the 2013 roof works were carried out on the basis of the 2010 Notice of Intention and that there was no evidence of the Applicant's compliance with the statutory consultation procedures in advance of the main 2016 works. He accepted that the Respondent's liability was therefore limited to £250. The chaotic manner in which the building had been managed only became too apparent during the course of the hearing. Mr Case had no explanation as to why the Applicant had not served the service charge accounts on the Respondent or why these had not been included in the Bundle. It was only in the written Closing Submissions, that the Applicant suggested that a Notice of Intention had been served on 10 October 2014 in respect of the 2016 roof works. Mr McClean realistically accepted that this was not before the Tribunal.
18. Ms Kapur acquired her interest in the Flat on 21 October 2014. On 17 December 2014 (at p.199), her interest was registered. She was a first time buyer and did not obtain a survey report. She rather relied upon her mortgagee's valuation. She had intended to occupy the Flat. However, she met her husband and moved into his home. At all times, she has let out the Flat. She accepted that she had not had to agree to any rent reduction because of disrepair or the quality of services. 29 June 2020 was the last occasion on which she had made any payment towards her ground rent or service charges.
19. Ms Kapur stated that she had never had any contact with Mr Case. She was not a satisfactory witness. On more than one occasion, she suggested that the managing agents had been "taking backhanders". She was unable to substantiate these allegations and the Tribunal rejects them. Ms Kapur had a tendency to raise items for the first time in her oral evidence. For example, she stated that she had made numerous requests to the managing agent for the building insurance documents. There were no documents to support this. We are satisfied that Ms Kapur was content to leave the management of then building to her fellow tenants. None of these were called to give evidence.
20. The evidence was completed at 16.40. Both Counsel agreed that they would make closing submissions in writing. The Tribunal reconvened on 12 September to reach our decision.
21. The Tribunal is grateful to the assistance provided by Counsel. In both their Opening and Closing written submissions, they have done their utmost to navigate the Tribunal through the complexities and inadequacies of this case. Ms Coughlin described the Bundle as the worst prepared bundle that she had seen.
22. The Tribunal has identified two distinct issues for us to determine:

(i) Issue 1: The service charges demanded by the Applicant and which have been pleaded in the Amended Particulars of Claim. The Applicant must satisfy us that lawful demands have been made for the service charges which are claimed.

(ii) Issue 2: Any deductions which should be made in respect of the service charges which have been demand. In his Opening Skeleton Argument, Mr Leoni identified the service charge items that the Respondent disputes. Mr McClean accepted that all these matters came within the scope of the issues pleaded by the Respondent in her Amended Defence. Mr McClean has responded to each of these challenges in his written Closing Submissions. The Tribunal notes that the Respondent is not challenging a number of items included in the service charge budgets such as general maintenance, auditor's fees, fire safety and electricity. It is for the party disputing the reasonableness of any service charges to establish a prima facie case.

The Lease

23. The lease, dated 7 April 2005, is at p.27-39. The Tenant's Service charge contribution is 1/6 (Clause 3(5)). The Landlord's covenants are set out in Clause 4. Clause 4(7) sets out the service charge provisions:

(i) The service charge year runs from 25 December to 24 December.

(ii) Interim service charges are payable on 25 December and 24 June.

(iii) As soon as is reasonably practicable, and in any event within six months of the end of the financial year, the landlord shall prepare service charge accounts and have the accounts certified by an independent accountant.

(iv) The Landlord will cause the following to be delivered to the Tenant:
(a) the Accountant's Certificate; (b) a breakdown of the expenditure and the instalments paid; and (c) copy receipts (if requested).

(v) In the event of an underpayment, the balance becomes payable within 28 days of the Landlord delivering to the Tenant the Accountant's certificate and other documents.

(vi) In the event of an overpayment, the balance shall be credited to the Tenant in the issue of the next certificate.

(vii) the lease makes no provision for a reserve fund. However, it seems that the Applicant accumulated such a fund from the surpluses paid by the tenants.

24. The Respondent, relying on *Embassy Court Residents' Association Ltd v Lipman* [1984] EGLR 60, argues that the lease does not make express provision for the Landlord to engage managing agents. Had the lease envisaged the use of managing agents, it would have made express provision for this. Therefore no service charges are recoverable in respect of the cost of employing managing agents.
25. The Applicant relies upon Clause 4(7)(b) which provides that the total expenditure recoverable by the Landlord in respect of service charges includes “any other costs and expenses reasonably and properly incurred in connection with the building”.
26. The Tribunal has not heard full argument on this interesting legal point. As the editors of "Service Charges and Management" (5th Ed) point out at [4.08]-[4.14], there has been a number of subsequent decisions of the Upper Tribunal in which this issue has been considered. This is a matter of contractual interpretation (see *Arnold v Britton* [2015] UKSC 36; [2015] AC 1619). This lease was granted by a limited company. It could only carry out its obligations under the lease to repair and maintain the building by employing others, whether builders or managing agents. The Tribunal is satisfied that the parties would have contemplated that the employment of managing agents fell within the scope of Clause 4(7)(b).

Issue 1: The Service Charges Demanded

27. Paragraph 17 of the Amended Particulars of Claim sets out the service charges which are claimed. It is apparent that the Applicant, presumably by error, has not pleaded all the sums that had been demanded:

(i) 2016: (a) the second interim service charge of £1,010 demanded on 9 August 2016 (p.286); and (b) an excess service charge of £2,494.91 demanded on 9 March 2017 (p.284). The total demanded for this year is **£3,504.91**. Whilst the Respondent has provided a budget for this year, there are no invoices. Thus, there is no evidence as to how the excess service charge has been computed. Counsel sought to suggest that this relates to 2017. It does not.

(ii) 2017: (a) interim service charges of £3,517.84 demanded on 9 March 2017 (p.284) and 12 July 2017 (p.282); and (b) an excess service charge of £349.50 demanded on 5 August 2018 (p.278). This is the year in which major works were completed to the roof. However, the total sums demanded for service charges for this year, are substantially less than the sums expended on the roof. It is apparent that some of the work had been carried out and invoiced in the previous year (2016). The total demanded for this year is **£7,385.18**.

(iii) 2018: one interim service charge of £1,034.16 demanded on 12 June 2018 (p.280). There is no claim for a second interim charge. There is no demand for an excess service charge. Had there been a surplus, there should have been a credit. The total demanded for this year is **£1,034.16**.

(iv) 2019: interim service charges of (a) £1,069.17 demanded on 2 January 2019 (p.276); (b) £1,069.16 demanded on 13 March 2019 (p.274); and (c) £1,069.16 demanded on 9 August 2019 (p.272). The Applicant has not pleaded any claim for an excess service for 2019, albeit that a sum of £1,287.76 was demanded on 29 June 2020 (p.268). It is only open to the Applicant to demand two interim service charges in any year. The claim is therefore limited to two interim demands of £1,069.16, namely **£2,138.32**.

(v) 2020: (a) interim service charges of £1,183.33 demanded on 19 December 2019 (p.270) and 29 June 2020 (p.268); and (b) an excess service charge of £1.31 demanded on 6 December 2021 (p.262). The total demanded for this year is **£2,367.97**.

(vi) 2021: (a) interim service charges of £1,592.08 demanded on 28 January 2021 (p.266) and 18 June 2021 (p.264); and (b) an excess service charge of £793.36 demanded on 18 May 2022 (p.258) The total demanded for this year is **£3,977.52**.

(vii) 2022: interim service charges of £1,500.92 demanded on 24 January 2022 (p.260) and 4 July 2022 (p.256). There is no demand for an excess service charge. Had there been a surplus, there should have been a credit. The total demanded for this year is **£3,001.84**.

(ix) 2023: (a) interim service charge of £1,501.43 demanded on 12 January 2023 (p.252); (b) amended interim service charge of £1,401.43 demanded on 18 January 2023 (p.250); and (c) interim service charge of £1,401.43 demanded on 30 June 2023 (p.248). The invoice for £1,501.43 was credited, as it had been issued in error. On 25 August 2023, the tenants had acquired the Right to Manage. The total demanded for this year is **£2,802.86**.

28. The Tribunal computes that the total of these sums is **£26,212.76**. This is somewhat higher than the sum of **£23,551.01** pleaded claimed by the Applicant in paragraph 17 of the Amended Particulars of Claim (p.17). This does not surprise the Tribunal as the Applicant's financial records are riddled with errors.
29. On 25 August 2023, the RTM Company acquired the right to manage the Building. The Applicant has not transferred any accrued uncommitted service charges to the RTM Company. The state of the accounts at this time is far from clear. We were referred to an email (at

p.402) which refers to reserves of £10,365.11. However, another email (at p.401) refers to arrears owed by three lessees totalling £38,241.56.

30. Further confusion was caused by "Period End Statement to 24 December 2003" (at p.349) which SE1 Ltd sent to Ms Kapur on 24 August 2023. This refers to her having a reserve fund credit of £461.18 and a service charge credit of £3,690.12. This is contradicted by the Statement of Account (at p.297-8) which refers to arrears of £18,562.75, the figure on which the Applicant relies in these proceedings. Mr Case acknowledged in his verbal evidence that monies were held on behalf of the leaseholders in both a reserve account and an "underspend" held in the general client account which he said had been accumulated over a number of years.

Issue 2: The Service Charge Challenges

31. The following Table summarises the service charges which are challenged. It is taken from Counsel's written submissions. In his Opening Submissions, Mr Leoni set out the service charge items which are challenged. In his closing submissions, Mr McClean responded to these. The Table includes the following:

- A. The service charge items included in the budgets (at p.288-296);
- B. The total of the invoices identified by Mr McClean (at p.491-654);
- C. The service charges which are claimed (see [27] above);
- D. The total sums claimed from the six tenants (i.e. C. x 6)

Year	Sum Claimed	Insurance	Major Works	Cleaning	Pump Maintenance	Management
2016	C: 3,504.91 D: £21,029					
A		£5,500		£950	£700	£2,300
B	No invoices are available for this year					
2017	C: £7,385.18 D: £44,311					
A		£6,050	£28,135	£950	£825	£2,410
B		£5,937	£62,910	-	£1,507	-
2018	C: £1,034.1 D: £6,205					
A		£6050		£950	£850	£2,510
B		£6,269		£949	£832	-
2019	C: £2,138.32 D: £12,830					
A		£6,400		£950	£850	£2,580
B		£6,163		£985	£2,784	£2,580
2020	C: £2,367.97 D: £14,208					
A		£4,850		£1,000	£850	£2,750

B		£5,225		£1,064	£2,707	£2,750
2021	C: £3,977.52 D: £23,865					
A	No budget is available for this year					
B		£6,574		-	£5,652	£3,431
2022	C: £3,001.84 D: £18,011					
A		£7,560		£1,200	£3,000	£3,811
B		£7,302		-	£1,143	£3,829
2023	C: £2,802.86 D: £16,819					
A		£8,035		£1,200	£1,500	£4,192.27
B				-	£1,856	£2,837

Insurance

32. The Applicant has provided six Certificates of Building Insurance. The renewal date is 20 November. The Tribunal has included the following sums in the above Table: 2017: £5,936.98 (p.510); 2018: £6,163 (p.529 and p.550); 2019: £4,146 (p.565), 2020: £5,225 (p.594), 2021: £6,574.43 and 2022: £7,302.20. It is to be noted that the certificate for 2018 appears twice in the bundle. There is a difference in that on the copy at p.529, someone has added in hand writing an additional £106.21 for terrorism. The Applicant did not explain why two copies were included or why a sum for terrorism had been added to one of them. Indeed, no explanation was provided for any additional sum for terrorism. The Tribunal has therefore omitted any handwritten addition.
33. In his Closing Submissions, (at [51]), the Applicant has included £7,302 for 2023. We are satisfied that this relates to insurance for the previous year. The insurance would have been due for renewal on 20 November 2023, namely after the RTM had been acquired. No certificate has been provided for 2016.
34. The Respondent complains that the cost of the insurance is unreasonable. Relying on *Cos Services Ltd v Nicholson & Williams* [2017] UKUT 382 (LC); [2018] L&TR 5, Mr Leoni argued that the Tribunal must be satisfied that the charges in question was reasonably incurred. In doing so, it must consider the terms of the lease and the potential liabilities that are to be insured against. It will require the landlord to explain the process by which the particular policy and premium have been selected, with reference to the steps taken to assess the current market. The Applicant has adduced no such evidence.
35. However, as HHJ Stuart Bridge noted, "every decision will be based on its own facts". Since November 2023, the RTM Company has been responsible for insuring the building. It would have been open to the

Respondent to adduce evidence as to the cost of the insurance that it has secured. This would have provided the best benchmark against which the Tribunal would have been able to assess the reasonableness of the insurance secured by the Applicant. The Respondent has adduced no such evidence.

36. This a substantial Victorian building with six flats. There have been problems of water leaks. The sums charged do not strike the tribunal as being unreasonable. We are satisfied that they are reasonable.

Major Works

37. Service Charges for major works are only detailed as charged for one year, namely 2017. In this year, the Applicant demanded two interim service charges of £3,517.84 on 9 March 2017 (p.284) and 12 July 2017 (p.282) and an excess service charge of £349.50 on 5 August 2018 (p.278). Mr McClean suggested that there was a demand for an excess service charge of £2,494.41. He is wrong. This charge related to 2016 (see p.284). The Tribunal is satisfied from the papers that this sum represents a payment towards the major works which had been billed during 2016 in the sum of £34,775 (see p. 508)
38. The Applicant has charged the Respondent a total of £7,385.18. The six tenants would have been required to pay £44,311. Of this sum payments of £28,135 were collected for the major works. An invoice for this amount is at p.507 and is marked as Invoice No. 3, confirming that invoices 1 and 2 were issued in the previous year. The document at p.508, submitted by the Applicant as an invoice, is titled "Invoice Summary" and details the complete cost of the works, including urgent works.
39. An explanation for this invoice is provided in the report of Celador , dated March 2017 (at p.303-311). Myhaus had originally quoted £37,450 (exc VAT). The Tender Report advised a cost of £38,045 (exc VAT) to allow a contingency for render repairs. This is the sum which appears in the Notice of Estimates (at p.301). The final account for the contracted works was settled at £37,415. However, urgent additional safety works were approved at a cost of £15,010. It is these works which were subject to the Consultation Dispensation (see [9] above). Thus, the Myhaus invoice consisted of £44,898 (inc VAT) for the contracted works and £18,012 (inc VAT) for the urgent additional safety works, a total of £62,910. Celador note that there had been a history of unsatisfactory work at the building. The overall performance of Myhaus was considered in the report to be "satisfactory".

40. On 3 June 2010, the Applicant had served a Notice of Intention in respect of major works to the roof. Some works were executed in 2013. It seems that this was a new roof at a cost of some £20,000 (see p.404). However, the roof continued to leak. This was all before the Respondent acquired her interest in her Flat in October 2014. Ms Kapur did not obtain a survey when she purchased her Flat.
41. In Spring 2016, Hampton Wick, the Applicant's then managing agents, instructed Celador in connection with the current external decorations and roof repairs. On 21 September 2016 (at p.299-301), the Respondent served a Notice of Estimates together with a report from Celador. Three estimates had been obtained. The Myhaus quote of £38,045 + VAT was the lowest estimate. The Notice refers to a Notice of Intention which had been served on 3 June 2010 with a consultation period ending on 5 July 2010.
42. The Respondent complains that the Applicant failed to comply with the statutory consultation procedures specified by section 20 of the 1985 Act in that it should have served a further Notice of intention before embarking upon the works in 2016. This was conceded by the Applicant. The Respondent further complains of the quality of the works which were executed both in 2013 and 2016. Works were required to the coping stones in 2024 (see p.428-9). Mr Case responded that the Applicant had been advised by Celador that works to the coping stones were not necessary and that these would have destabilised the building which was already in a precarious case.
43. The Applicant has conceded that the Respondent's liability for the contracted works is capped at £250 as the Applicant failed to comply with the statutory duty to consult. The Tribunal (in LON/00AY/LDC/2025/0603) granted dispensation for the urgent additional safety works which was executed at a cost of £18,012. The Respondent's 1/6 share would be £3,002. The Respondent's total liability is therefore £3,252.
44. It is far from clear how much the Applicant has charged the Respondent for these works. The total cost of the works was £62,910 and her 1/6 share would be £10,485. The 2017 budget (at p.293) included £28,135 for the works, the Respondent's 1/6 share being £4,689. The Applicant also charged an excess service charge of £349.50. In 2017, the Applicant charged the Respondent £5,038.50. The Tribunal allows £3,252. She is therefore entitled to a deduction of **£1,786.50**.
45. It seems that the Applicant sought to charge the Respondent for the works through the excess service charge of £3,504.91 in 2016. Had this been the situation, she would have been entitled to a deduction of this sum. However, we are disallowing this excess charge in any event because the Applicant has failed to provide the relevant service charge

accounts or the "Accountant's Certificate". It may also have been that part of the works were funded from reserves. However, the evidence relating to the reserve fund was opaque. The lease made no provision for such a fund. Mr Leoni did not seek to argue that Ms Kapur had any reserve fund credit that should be off set against the sums claimed.

46. The Tribunal has considered whether to make any deduction in respect of the quality of the works. We do not consider it appropriate to do so given that her total liability was £10,485, and we have found that she is only liable for £3,252. Had this not been the position, the Respondent may have been entitled to some deduction on grounds of the quality of the works. However, the evidence on this was again far from satisfactory.

Cleaning

47. The Respondent complains that the cleaning services were not carried out to a reasonable standard and on occasions were not carried out at all. Ms Kapur's evidence in respect of this is limited. She was not residing in her Flat. She refers to emails dated December 2021 (at p.434-5) which suggest that SE1 recognised that there had been some problems with the cleaning services. The Respondent has not adduced any evidence from any tenant who was residing in their flat. Mr Case does not address this in his witness statement.
48. The Applicant has only provided a limited number of invoices in respect of cleaning in the Bundle. The Tribunal suspects that others may exist. However, this is a case where the Applicant has failed to serve either service charge accounts or the requisite "Accountant's Certificate". The Tribunal has concluded that we will allow the service charges in respect of cleaning where these are supported by invoices. We will not allow such expenditure where there are no invoices. We are not making any reduction in respect of the quality of the service because of the unsatisfactory nature of the evidence adduced by both sides. On the one hand, the Applicant may have been able to adduce more invoices. On the other, the Respondent's evidence as to the quality of the service is poor.

49. The Respondent has failed to provide any invoices for the years 2016, 2017, 2021, 2022 and 2023. In 2016 and 2017, a charge was made of £950; £158 per flat. In 2022 and 2023, a demand of £1,200 was made; £200 per flat.

Pump Maintenance

50. There are two pumps at the building which serve the two Lower Ground Level flats. One is a backup. These pumps take away waste from the kitchen sinks of these two flats and a limited amount of rainwater from

the roof terraces enjoyed by the two Raise Ground Level flats (including Flat 4, the Respondent's Flat). As is apparent from the Table, substantial costs have been incurred in respect of repairing these pumps. Voltix Services maintain the pumps.

51. The Respondent contends that these sums were not reasonably incurred due to a failure to plan long term for their maintenance. When works were done to the pumps they were done to a poor standard. The Respondent complains of a history of flooding at the building caused by the pumps being ineffective or deficient. These have not affected the Respondent's Flat and the relevant tenants have not been called to give evidence. Mr Leoni asks the Tribunal to infer that the pumps have been continuously poorly performing. The Tribunal was taken through the invoices which indicate that between 2017 and 2021, the two pumps were, between them, replaced five times. Mr Leoni argues that it is a matter for the Tribunal in its expert opinion to determine whether such pumps should be replaced this frequently.
52. Mr Case did not address this issue in his witness statement. His oral evidence was that the pumps would normally be expected to last between two and three years. These pumps had been prone to becoming clogged up due to the dumping of kitchen waste from Flats 1 and 2. A number of the flats were sub-let and there had been a frequent turnover of tenants. He suggested that some tenants may have failed to appreciate the problems that improper disposal of kitchen waste would cause for the pumps.
53. Neither party has adduced expert evidence. No evidence has been adduced from the lessees or tenants who were affected by the pumps. Ms Kapur stated that the RTM Company had decided to continue the Voltix contract when it assumed responsibility for the management of the building in August 2023. It was unclear whether they are still instructed to maintain the pumps. The Respondent must establish a prima facie case that the charges are unreasonable. It has failed to do so. Had the RTM Company been dissatisfied with the service provided by Voltix, the Tribunal would have expected it to identify an alternative contractor. The Respondent has adduced no evidence that the RTM Company has done so or that the pumps could be maintained at a lower cost. The Tribunal allows the sums demanded in so far as they are supported by invoices.

Management Fees

54. The Respondent first argues that the lease does not permit the Applicant to employ managing agents. The Tribunal has found that it does.
55. Secondly, the Respondent complains about the cost and the quality of the management services. Mr Leoni notes that they have increased by

75% between 2017 and 2023. The Tribunal computes that the charge per flat was £320 (+ VAT) in 2016 and £582 (+ VAT) in 2023.

56. The Tribunal is satisfied that the increase in the management fees has been excessive. We consider that £400 per flat + VAT (£3,000 pa for the six flats) to be at the upper end of what would be reasonable. We are also satisfied that the quality of the management services have been extremely poor. The managing agents have failed to manage the building in accordance with the terms of the Respondent's lease. No service charge accounts or "Accountant's Certificate" have been provided. There has been considerable disrepair. The lessees have concluded that they had no option but to exercise their statutory RTM. There have been no closing accounts or transfer of accrued uncommitted service charges. There is reference in the papers to a reserve fund, albeit that the leases make no provision for such a fund. We have therefore concluded that we should reduce the sum sought for management charges by 50%.
57. The following Table sets out the deductions which we have decided to make in respect of management fees:

Year	Sum Demanded	Sum per flat	Net Sum	Sum Allowed	Deduction
2016	£2,300	£383	£319	£191.50	£191.50
2017	£2,410	£402	£335	£201	£201
2018	£2,501	£418	£349	£209	£209
2019	£2,580	£430	£358	£215	£215
2020	£2,750	£458	£382	£229	£229
2021	£3,431	£572	£477	£240	£332
2022	£3,811	£635	£529	£240	£395
2023	£4,192.27	£699	£582	£240	£459

58. In 2023, the tribunal must make a further deduction as the Respondent only managed the Property for eight months. £699 was demanded for the year; we allow £160 for eight months.

Deduction to the Service Charges

59. We have concluded that we should make the following deductions to the service charges that have been demanded:

(i) 2016: The Applicant has demanded: (a) the second interim service charge of £1,010 demanded; and (b) an excess service charge of £2,494.91. The total demanded for this year is £3,504.91. Whilst the Respondent has provided a budget for this year, there are no invoices. The Respondent has not provided service charge accounts for the year or the "Accountant's Certificate". We therefore disallow the excess service charge. We make further deductions of £158 for cleaning and £191.50 for management charges. However, this is a 6 monthly demand so the deduction is 50% of these sums, namely £174.75. We therefore make deductions of **£2,669.66**.

(ii) 2017: The Applicant has demanded: (a) two interim service charges of £3,517.84; and (b) an excess service charge of £349.50. The total demanded for this year is £7,385.18. We are satisfied that any excess charge would have been in respect of the major works. We have made a deduction of £1,786.50 in respect of this (see [59] above). We make further deductions of £158 in respect of cleaning and £201 in respect of the management charge. We therefore make deductions of **£2,145.50**.

(iii) 2018: The Applicant has demanded one interim service charge of £1,034.16. The total demanded for this year is £1,034.16. We make a deduction of **£104.50** (50% of £209) in respect of the management charge.

(iv) 2019: The Applicant has demanded two interim service charges totalling £2,138.32. We make a deduction of **£215** in respect of the management charge.

(v) 2020: The Applicant has demanded: (a) two interim service charges of £1,183.33; (b) an excess service charge of £1.31. The total demanded for this year is £2,367.97. We disallow the excess service charge as the Respondent has not provided service charge accounts for the year or the "Accountant's Certificate". We make a further deduction of £332 in respect of the management charge. We therefore make deductions of **£333.31**.

(vi) 2021: The Applicant has demanded: (a) two interim service charges of £1,592.08; and (b) an excess service charge of £793.36. The total demanded for this year is £3,977.52. We disallow the excess service charge as the Respondent has not provided service charge accounts for the year or the "Accountant's Certificate". No budget has been provided. We are satisfied that this would have included some £1,200

for cleaning. We disallow £200 in respect of cleaning and £332 in respect of management charges. We make total deductions of **£1,325.36**.

(vii) 2022: The Applicant has demanded two interim service charges of £1,500.92. There is no demand for an excess service charge. The total demanded for this year is £3,001.84. We make deductions of £200 in respect of cleaning and £395 in respect of management charges, a total of **£595**.

(ix) 2023: The Applicant has demanded two interim charges of £1,401.43, a total of **£2,802.86**. On 25 August 2023, the tenants had acquired the Right to Manage. The Respondent is therefore only entitled to charge service charges for 8 months. In the "Periodic End Statement to 24 Dec 2023" (at p.349), the Respondent seems to be charging the Respondent £200 for audit fees, £309.28 for water pump services, £93.24 for electricity and a management fee of £472.83, a total of £1,075.35. We have restricted the management fee to £160. The sums allowed are therefore £762.52. The Applicant is therefore entitled to a deduction of **£2,040.34**.

60. We summarise our findings:

(i) The Respondent has demanded service charges of £26,212.76 (see [28] above;

(ii) We have made deductions of £9,428.67 (see [60] above)

(iii) The Respondent has paid sums totalling £8,370 (see [13] above).

(iv) The Respondent owes service charges of 8,414.09.

Costs

61. This is normally a no costs jurisdiction. It is unclear whether the Applicant would be able to recover its costs as an administration fee under the lease. However, the Respondent has made an application for an order to reduce or extinguish the tenant's liability to pay an administration charge in respect of litigation costs, under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002. The Tribunal is satisfied that that it would be just and equitable to make such an order having regard to the Applicant's conduct in this matter.

62. The Respondent also applies for an order under section 20C of the 1985 Act. It seems unlikely that the Applicant could pass on its costs through

the service charge for two reasons. First, the building is currently being managed by the RTM Company. Secondly, it seems that the lease does not make provision for this. However, for the avoidance of doubt, the Tribunal is satisfied that is just and equitable in the circumstances for an order to be made.

The Next Steps

63. The issue of the ground rent has now been resolved, the Respondent accepting that there are no outstanding arrears (see [13] above).
64. The tribunal has no jurisdiction over interest or the costs incurred in the County Court. This matter should now be returned to the County Court at Kingston-upon-Thames.

Judge Robert Latham
22 September 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Building 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 building 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).