



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

Case reference : **LON/00BE/LSC/2025/0661**

Building : **26 Clifton Way, Brimmingon Estate,
London, SE15 2LG**

Applicant : **London Borough of Southwark**

Representative : **Gareth Chew (Litigation Officer)**

Respondent : **Austa Nkem Lazarus**

Representative : **In person**

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
S Johnson MRICS**

**Date and venue of
hearing** : **4 September 2025 at
10 Alfred Place, London WC1E 7LR**

Date of decision : **2 October 2025**

DECISION

- (1) The Tribunal determines that the service charges demanded for 2022/23 and the interim service charges demanded for 2023/24 are reasonable and payable. The outstanding sums are £3,790.58 for 2022/23 and £2,949.39 for 2023/24, a total of £6,739.97.
- (2) Since the Tribunal has no jurisdiction over county court costs and interest, this matter should now be referred back to the County Court at the Mayors and City of London Court.

The Application

1. On 29 April 2024, the London Borough of Southwark ("the Applicant") issued a claim form in the Civil National Business Centre seeking a money judgment in the sum of £6,889.97 in respect of arrears of service charges and interest of £506.06 (at p.31-35 to the Bundle). Arrears of service charges of £3,940.58 are claimed for 2022/23 and £2,949.39 for 2023/24.
2. On 14 May 2024, Ms Auta Nkem Lazarus ("the Respondent") filed a Defence and Counterclaim (p.124-129). She admitted that a sum of £3,056.70 was payable. She disputed her liability for the remainder. She disputed the level of the service charges which were much higher than the sums charged to secure tenants. She had been trying to sell her flat, but had lost a buyer in 2020 because of the state of her flat. She referred to three former County Court judgments which had been settled by her mortgagee. She had accumulated debts of £30,000 and was still trying to sell her flat.
3. On 23 January 2025 (p.152), DDJ Althaus, sitting in the County Court at the Mayors and City of London Court transferred the case to this tribunal.
4. On 13 March 2025 (p.1-5), this tribunal gave Directions at a Case Management Hearing. The Procedural Judge noted that the Applicant had applied to transfer the case back to the County Court as the action was straight forward debt action. The Tribunal refused this application on the ground that the Applicant had not appealed against the County Court Order. The Applicant confirmed that the claim only related to the service charge years 2022/23 and 2023/24. The claim for 2023/24 was for an interim service charge.
5. On 5 June 2025 (p.36-44), the Respondent filed her Statement of Case. She complained that the service charges were unreasonable and not payable in full. No services or maintenance had been provided to her flat or the building. She was living in a street property, but was being charged estate-type charges. She was being charged for heating and hot water that was not being provided. There had been a history of failure to carry out repairs, poor management and unresolved complaints. There were inconsistencies in her service charge account. She provided a Scott Schedule. Her ground of challenge was that the sums demanded were "unreasonable and not payable in full".
6. On 24 June 2025, the Applicant filed a Reply (p.45-49) and on 21 July, a Supplementary Statement in Reply (p.50-60). By 21 July 2025, the parties had been directed to serve any witness statements. The Applicant served witness statements from Suganthiny Jeyanesan, Revenue Service Charge Accountant (p.111-117) and David Prudence, Estate Cleaning

Supervisor (p.118-119). The Respondent did not file any witness statements.

The Hearing

7. The Applicant was represented by Mr Gareth Chew, a Litigation Officer. We heard evidence from Ms Jeyanesan. Mr Prudence was unable to attend as he was ill. The Tribunal has had regard to his witness statement. We indicated that the weight that we would give to his evidence, might be affected by the fact that he was unable to attend. However, his evidence was not challenged by the Respondent.
8. Ms Lazarus, the Respondent, appeared in person. She was accompanied by Ms Comfort Okwechime (her daughter) and Ms Felicia Ebegbue (an aunt). Ms Lazarus gave evidence. Ms Lazarus is a midwife. She is currently unable to work due to ill health, namely stress. She has three children, not all of whom are currently living with her.
9. Ms Lazarus is clearly overwhelmed by the financial problems that she faces. On 13 June 2005, she acquired her lease in the flat pursuant to the Right to Buy legislation. She has separated from her partner and on 29 October 2021, the lease was transferred into her sole name. She has been unable to pay the service charges that have been demanded and is now in substantial debt. Since 2020, she has been trying to sell her flat. She recently put it up at auction, but no offers were made. She described how she is trapped in a home that she is unable to afford. She felt "victimised" by the Applicant. She was visibly distressed during the hearing. We granted short adjournments and permitted her daughter to sit next to her.
10. Whilst Ms Lazarus made a number of complaints about the quality of the services that have been provided, the quality of her evidence relating to this was poor. She has not pleaded her case with any precision. She has not provided a witness statement.
11. Ms Lazarus complained that she had made payments to her service charge account which had not been credited to her account. At the hearing, Mr Chew provided a statement of her account. Ms Lazarus was not able to identify any payment that had not been credited to her account. The confusion seems to have arisen from the manner in which the Applicant has apportioned the sums that she has paid against the various invoices which have been outstanding.
12. The Applicant's claim relates to two service charge demands:
 - (i) The final service charge demand for 2022/23 in the sum of £5,755.44 (p.68). The interim service charge had been £3,629.70 (p.64). The substantial increase in the final demand is explained by the charge for

heating and hot water which had increased from £1,816.49 to £3,681.07. This reflected the large increase in the price of energy during this period.

(ii) The interim service charge for 2023/24 in the sum of £5,898.77 (p.106). At the hearing, Mr Chew provided the final demand for the year in the sum of £6,039.72. This is the charge which the Applicant had challenged in her Statement of Case. The actual expenditure on heating and hot water was £2,792.73, compared with an estimate of £3,552.24, reflecting the fall in energy process. However, the final expenditure on block responsive repairs was £801.72, compared with a budget of £267.76.

13. Both demands included modest sums for ground rent of £10. These demands would be outside the jurisdiction of this Tribunal. However, Mr Chew accepted that these sums had been settled from the payments which the Respondent had made
14. Mr Chew noted that the Applicant had sent a number of "letters of claim" before issuing proceedings. Ms Lazarus had not responded to these.
15. Ms Lazarus raised a number of complaints during the hearing. Mr Chew stated that these had not previously been raised with the Applicant. He agreed to respond to these. The complaints were (i) condensation to the flat; (ii) a rat infestation; and (iii) a hole in the wall between her flat and Flat 28. She had also wanted to make a claim under the Applicant's insurance policy. Mr Chew agreed to provide her with details of how to make a claim.

The Lease

16. The Respondent's lease is dated 13 June 2005 (at p.6-29). This is a two bedroom flat on the first floor of a three storey brick and tile building which was constructed in the 1990s. The lease is for a term of 125 years.
17. The Applicant covenants to provide the following services for "the Building" and "the Estate": (i) central heating; (ii) hot water supply; (iii) caretaking lighting and cleaning of common areas; (iv) maintenance of common television aerial or landline; (v) maintenance of Estate roads and paths; (vi) Estate lighting; (vii) maintenance of gardens or landscaped areas; and (viii) unitemised repairs".
18. The "Building" is defined as "the building known as 22-32 (EV) Clifton Way, Brimington Estate, London SE15 including any grounds outbuildings gardens and yards or other property appertaining exclusively thereto". The "Estate" is defined as "the Brimington Estate, London SE15 including all roads paths gardens and other property forming part thereof".

19. By paragraph 6(2) of the Third Schedule, the Applicant may adopt "any reasonable method" of ascertaining the Respondent's proportion of service charges and may adopt different methods in relation to different items of costs and expenses. Ms Jeyanesan described how the Applicant apportion costs to individual properties, using a "Bed-Weighting Method". Under this method, all dwellings are given a base unit of 4, comprising of bathroom, kitchen, living room and hallway. An additional 1 is added for every bedroom within the dwelling.
20. The Respondent charges the Respondent 6/36 of the Building costs and 6/2776 of the Estate costs. There are six two bedroom flats in the Building.
21. In her witness statement, Ms Jeyanesan wrongly stated that the Respondent's flat had three bedrooms. We are satisfied that this was a mistake and that the Applicant has correctly assessed her as the flat having two bedrooms. This is confirmed by the document at p.79. Ms Lazarus was not willing to accept that this was a mistake.
22. By paragraph 7(7) of the Third Schedule, the Applicant is permitted to employ managing agents. Where no managing agents are employed, the Applicant is permitted to add an administration charge of 10% to the service charge expenditure.

The Service Charges for 2022/23

23. On 14 February 2022 (at p.61-64), the Applicant issued a demand for an interim service charge of £3,629.70. The budget on which it was based is at p.64. The Respondent was given the options of paying quarterly or monthly. On 22 September 2023 (p.65-70), the Applicant issued a demand for a balancing charge of £2,125.74. The Respondent has paid £1,914.86 towards the interim charge. A compensation payment of £50 was also credited to her account. The Respondent has made no payment towards the final demand. The Applicant asserts that **£3,790.58** is outstanding. This is £150 less than the sum pleaded in the Particulars of Claim, as these sums were paid/credited after the claim was issued.
24. The breakdown of the final expenditure is at p.68. A summary of all the invoices upon which this is based is at p.70-103. In her witness statement (at p.111-117), Ms Jeyanesan explains how the service charge expenditure has been computed. Ms Lazarus complains that no services or maintenance was provided. This is contradicted by the breakdown of the invoices which the Applicant has provided.
25. In her Scott Schedule (p.44), the Respondent asserts that sums demanded are unreasonable and not payable in full. She does not challenge any specific budget item. In her letter (p.39), she complains that she should not be liable for an estate charge. However, express

provision is made for it in her lease. Whilst her particular "Building" consists of six flats, this is part of a wider estate.

26. The substantial increase in the final demand is explained by the charge for heating and hot water which had increased from £1,816.49 to £3,681.07. This reflected the large increase in the price of energy during this period. Because the energy is provided by a district heating system, Ms Lazarus did not benefit from any government assistance.
27. On 19 February 2025, a compensation payment of £50 was credited to the Respondent's account. Ms Lazarus had complained that her flat was overheating. It is apparent that a pipe had corroded and steam was coming out of a riser. Ms Lazarus utilised the Applicant's complaints procedure (see p.180-194). It seems that Ms Lazarus first complained of the problem in August 2022. It was resolved in September. The Tribunal is satisfied that an appropriate payment of compensation was made.
28. In her evidence, Ms Lazarus complained that she had had no heating for half of then year and no hot water for three months. She said that she had been provided with five electric heaters. However, she was unable to refer us to any written complaints relating to this. She has failed to satisfy us that any reduction should be made on this ground.
29. Ms Lazarus also complained about the arrangements for the removal of rubbish. She complained that no bins had been provided. However, it was apparent that whilst bins were provided for the neighbouring town houses, separate arrangements were made for the six flats in the Applicant's building.
30. We are satisfied that the sums demanded are reasonable and payable. We readily accept that Ms Lazarus considered that the increased demand for heating and hot water was excessive. However, this reflected the increase in energy process at the time.

The Service Charges for 2023/24

31. On 14 February 2023 (at p.104-110) the Applicant issued a demand for an interim service charge of £5,898.77. The budget on which it was based is at p.106. The Respondent was again given the options of paying quarterly or monthly. The Applicant accepts that the Respondent made two payments totalling £2,842.07. On 18 May 2023, a credit of £107.31 was made to the account. The Applicant claims a sum of **£2,949.39** (see p.32).
32. This is a demand for an interim service charge. Strictly, the Tribunal is only concerned with the reasonableness of the sums included in the budget. At this stage, there could be no challenge to the quality of the service. At the hearing, Mr Chew provided the final demand for the year

in the sum of £6,039.72. This is the charge which the Applicant had challenged in her Statement of Case. The actual expenditure on heating and hot water was £2,792.73, compared with an estimate of £3,552.24, reflecting the fall in energy prices. However, the final expenditure on block responsive repairs was £801.72, compared with a budget of £267.76. Because the Tribunal is only concerned with the interim service charge demand, we have not been provided with a summary of the invoices for the year. However, the provision of the final account confirms our view that the sums included in the budget were reasonable.

33. On 18 May 2023, the Applicant credited a sum of £107.31 to the Respondent's service charge account. On 17 May 2023 (p.205), the Applicant wrote to Respondent to explain that they were reducing the administration charge by £107.31 because of high increase in the fuel prices. The administration charge is computed as 10% of the total service charges.
34. In her Scott Schedule (p.44), the Respondent again asserts that the sum demanded is unreasonable and not payable in full. She does not challenge any specific budget item. The Respondent has not satisfied us that any item in the budget is unreasonable or is not payable pursuant to the terms of her lease.

Costs

35. Mr Chew informed the Tribunal that the Applicant would not be seeking to recover its costs in respect of the tribunal proceedings against the Respondent.

The Next Steps

36. 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 the Mayors and City of London Court.
37. We note that further charges will have arisen since 29 April 2024. These will merely add to the financial problems that Ms Lazarus faces.

Judge Robert Latham
2 October 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).