



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

Case reference : **LON/00AB/LSC/2024/0761**

Property : **Flat 603 Beckett Court
13 Mast Street
Barking
Essex IG11 7PF**

Applicant : **Matthias Jan Femke Beirens**

Representative : **Mr John Jessup
3 Paper Buildings
Temple, London EC4Y 7EU**

Respondent : **London and Quadrant Housing
Trust (1)
London Borough of Barking &
Dagenham (2)**

Representative : **Mr Joseph Mahon
(for First Respondent)
5 Paper Buildings
Temple, London EC4Y 7HB
Ms Marie-Claire Bleasdale
(for Second Respondent)
11 New Square, Lincoln's Inn,
London WC2A 3QB**

Type of application : **Determination of reasonableness and
payability of service charges**

Tribunal members : **Mr I B Holdsworth FRICS
Mr S Wheeler MCIEH, CEnvH**

**Date and venue of
Hearing** : **14/15 October 2025
10 Alfred Place
London WC1E 7LR**

Date of Decision : **11 November 2025**

DECISION

Decisions of the Tribunal

s.27A and s.20C Application

- a. The Tribunal determined that the disputed service charges, amounting to £1,301.04, were reasonable and payable for the service charge period 1 April 2023-31 March 2024.
- b. The Tribunal determined the service charge budget for 2024/25 as £1,580.43.
- c. The Tribunal deferred its decision on a s.20C paragraph 5A order under the provisions of the Landlord & Tenant 1985 ('**the 1985 Act**') and paragraph 5A of Schedule 11 to the Commonhold & Leasehold Reform Act 2002 ('the 2002 Act'). Further submissions on costs will be sought from the parties following this Decision.
- d. The Tribunal also deferred a Decision on a Rule 13 costs application made by the Applicant pending further submissions from the parties.

1. Application

- 1.1 The Applicant had sought a determination pursuant to s.27A of the 1985 Act and Schedule 11 of the 2002 Act, as to the amount payable as a service charge for the year 2023/24.
- 1.2 The Applicant also sought a determination of the reasonableness of the service charge budget for the service charge year 2024/25.
- 1.3 The Applicant had applied for a s.20C Order under the provisions of the 1985 Act and paragraph 5A, Schedule 11 to the 2002 Act.

2. Case management/Directions

- 2.1 The Tribunal had issued Directions on 4 March 2025 following a case management hearing. This hearing was attended by the representatives for the Applicant and First and Second Respondents.
- 2.2 The Case Management Hearing identified the matters in dispute as the reasonableness of the service charges for 2023/24 and the service charge budget for 2024/25,

3. Hearing

- 3.1 A hearing was held on 14 & 15 October 2025 at 10 Alfred Place, London.
- 3.2 The Applicant, Mr Beirens attended in person and was represented by his Counsel, Mr Jessup.
- 3.3 The First Respondent, London & Quadrant Housing Trust ('Quadrant') was represented by Mr Mahon, Counsel.

- 3.4 The Second Respondent, the London Borough of Barking & Dagenham ('LBB&D') was represented by Ms Bleasdale, Counsel.
- 3.5 Also in attendance were Ms Priscila Maffei ('Ms Maffei') Service Charge Team Manager, for Quadrant and Mr Alex Essilfie-Bondezi ('Mr Essilfie-Bondezi'), the Current Interim Head of Finance at LBB&D.
- 3.6 The Applicant gave oral evidence, as did Mr Bondezi for LBB&D and Ms Maffei on behalf of Quadrant.
- 3.7 None of the parties had requested an inspection of the property, nor did Tribunal consider one necessary, or that it would have been proportionate in relation to the issues in dispute.

4. Preliminary matters

- 4.1 Prior to commencement of the Hearing, the Tribunal enquired of the parties about the range of matters in dispute.
- 4.2 After discussion between all parties and Tribunal, it was agreed the service charges for the following items were disputed, having been listed at p.446 of the bundle, which were: -
- a. window cleaning;
 - b. insurance;
 - c. cleaning and caretaking;
 - d. grounds' maintenance/gardening;
 - e. estate roads;
 - f. CCTV;
 - g. management costs.
- 4.3 It was also agreed the matters in dispute in respect of the service charge budget for 2024/25 related to the same items noted above (a. to g.).
- 4.4 On the second day of the hearing Ms Bleasdale asked the Tribunal to accept two supplementary documents:
- 4.4.1 The first document was copy of a Notice of Intention dated 16 June 2023 This advised residents of a qualifying long-term agreement with an insurance provider for buildings' insurance cover for the Property. This Notice formed part of necessary compliance with the requirements of s.20 (England Regulations 2003) regarding consultation.

- 4.4.2 The second set of documents were copies of service logs, which it was claimed by the Second Respondent would support the extent of works that were carried out at Beckett Court and within the surrounding estate. This set of documents amounted to more than 1,500 pages of schedules. The content of these schedules was not made known to the Tribunal as part of the Respondents' submission.
- 4.5 Counsel for the Applicant objected to the request to adduce further documents. He said the addition of so many documents to the bundle would prejudice his client's position. He and his client had not had time to review this material. The content was unknown to them both. He told the Tribunal it was not feasible for him to review such a body of information at this stage of the proceedings without an adjournment to give him sufficient time to review the 1500 or so documents.
- 4.6 The Tribunal after due consideration gave consent for the copies of the Notices to be adduced.
- 4.7 Tribunal rejected the request to include the late submission of copy service logs into the bundle. The Second Respondent was aware of the issues in dispute when the bundle was collated. The service logs were available at that time, but they failed to include them in the bundle. This was an error by the Second Respondents', and it would now be unfair to the applicant to allow material to be adduced without sufficient time for their review.

5. The law

- 5.1 The relevant legislation from the Landlord and Tenant Act 1985, Section 27A are set out in the appendices to this Decision. They are also available at:
<https://www.legislation.gov.uk/ukpga/1985/70/section/27A>

6. Background

- 6.1 The Applicant is the leaseholder of Flat 603 Beckett Court, 13 Mast Street, Barking, Essex IG11 7PF. He is a sub-lessee and a copy of his lease is contained in the bundle at pp.16-67.
- 6.2 The Applicant's landlord is the First Respondent, Quadrant who are lessees under an intermediate lease, contained in the bundle at pp.71-204.
- 6.3 The landlord lessor under Quadrant's lease is Reside Regeneration LLP who holds an agreement with the freeholder of the estate being the LBBD, the Second Respondent in this matter.
- 6.4 The Property is situated on the Gascoigne Estate. This comprises six multistorey blocks of flats. Beckett and Braid Courts forming part of

the overall estate and known as 'Block B1'. In the middle of this block is a courtyard built above carparking/ground level, which in the service charge documentation is referred to as 'The Podium'.

6.5 In Beckett Court there are 47 flats, together with a further three apartments at 9 Ketch Street and 15/17 Mast Street, the occupiers of which share some of the service charge costs relating to Beckett Court.

6.6 In total the 50 flats are held on an intermediate lease by the First Respondent.

6.7 The Tribunal was told the majority of services supplied to the Gascoigne Estate were provided by the Second Respondent and costs recharged to the Applicant through Reside Regeneration LLP and then the intermediate landlord Quadrant.

6.8 Ms Bleasdale confirmed the majority of services recharged for Beckett Court were provided by the Second Respondent.

6.9 Ms Bleasdale on behalf to the Second Respondent, explained the total costs of services provided by them were charged to the First Respondent, whose responsibility it was to recover the service charge costs from their sub-lessees. The bundle contained examples of the service charge demands made by the First Respondent of the sub-lessees, including the Applicant.

7. The current apportionment of the service charges

7.1 Service charge year 2023/24

7.1.1 It was explained to the Tribunal by Ms Bleasdale how the total service charges incurred across the Estate were allocated and recharged to Beckett Court and subsequently the Applicant. This allocation is relevant to the Tribunal's deliberations and is therefore shown below.

7.1.2 Where appropriate costs are apportioned across four cost centres, these are :

- a. The estate
- b. Podium B1
- c. Building B1
- d. Apartment B1

7.1.3 Each flat lessee then pays an appropriate percentage of each of these allocated service charges. This proportion is calculated by dividing the square footage of their individual flat, by the total square footage of all the leased units in area of the estate that benefit from the services. The square footage of the subject property is assessed at 722ft².

- 7.1.4 The Applicant's proportion of these service charge costs is therefore as follows:

Cost centre	Proportion allocated to Applicant %	Explanation
Estate	0.2618	Some 13.09% of the charges allocated to the entire estate being recharged to Beckett Court, the sum then being split evenly between the 50 flats, giving the 0.2618% per flat of the total estate service charge costs.
Podium B1	1.0056	39.1284% of the service charges relating to the podium are allocated to Beckett Court. This is then split between 48 flats on a prorata basis according to the square footage of each flat. The Applicant's flat measures 722ft ² with the total square footage for all 47 flats plus 15/17 Mast Street being 29,653ft ² .
Building B1	0.9584	39.7109% of the service charge costs relating to the buildings comprising Beckett and Baird Courts are charged against Beckett. This percentage is then split between the 47 flats in Beckett Court, together with the three additional apartments, again according to square footage. The Applicant's flat measures 722ft ² , with the total area comprising all 50 units being 31,576ft ² .
Apartment Flat 603	2.6662	These service charge costs are exclusive to Beckett Court and are apportioned amongst the lessees according to the square footage of the 47 flats in Beckett Court amounting to 28,584ft ² .

- 7.1.5 Ms Bleasdale in conjunction with Mr Mahon, explained to Tribunal the basis of the service charges demanded of the Applicant had comprised £2,106.90 for the year 2023/24, plus a management fee of £150 levied by Quadrant, together a ground rent of £178.81. Therefore the total sum demanded was £2,435.71. This is shown on copy invoice at p.393 of the bundle.
- 7.1.6 Counsel for the Second Respondent listed in her skeleton argument that disputed sums as follows:

Caretaking	£509.81
Window cleaning	£11.73
Grounds maintenance	£175.92
CCTV maintenance	£4.00
Buildings' insurance	£462.25
Management fees	£150.00 (First Respondent)
	£233.26 (Second Respondent)

7.1.7 It was agreed by all parties these were the sums in dispute.

7.2 Service charge year 2024/25

7.2.1 The estimated service charges for this year amounted to £2,460.41.

7.2.2 It was explained to Tribunal that the allocation of these costs was different between the years, so it was not possible to draw a comparison between the actual charges and the estimate.

7.2.3 Accordingly the Tribunal were asked to assess the reasonableness of the percentage change adopted by the Respondents in calculation of the estimate of service charges for the year 2024/25.

7.2.4 In conversation with the Tribunal the parties agreed that an uplift of 4.2% should be applied to any sum determined by the Tribunal for year 2023/24 save for the insurance premium charge. Mr Jessup for the Applicant asked that Tribunal decide on the sum payable for this charge based upon their submissions.

8. Applicant's submissions

8.1 The Applicant was called to give oral evidence by Mr Jessup, his Counsel. He spoke to his written evidence as contained within the bundle at pp.317-320. He also referred to an expert report, prepared on his behalf by Mr John William Waites FRICS, Chartered Surveyor.

8.2 The Applicant said the maintenance of Beckett Court fell below reasonable standards, referring Tribunal to a series of photographs contained in the bundle, showing dirt and staining to floors and walls within the common parts. He also said maintenance of the garden area, known as the Podium, was wholly inadequate with few visits by gardens/maintenance teams.

8.3 On questioning by the Second Respondent's Counsel, the Applicant agreed there had been some confusion over submission of the photographs, with some depicting staining and dirt at locations that might not relate to Beckett Court. He said they were representative of the overall standards of maintenance at the Property.

8.4 The Applicant was questioned on the management fees, and he said he thought the charge of £233.26 levied by the Second Respondent were excessive, claiming he did not understand why the management fees of the First Respondent were demanded.

8.5 The Applicant did agree that, if works carried out by the Second Respondent were carefully scrutinised by the First Respondent, their management fees of £150 were probably too low.

- 8.6 The Applicant also commented on the failure of the windows cleaners to attend to the exterior of one of his windows, stating this was necessary because the window in question failed to tilt and turn, to allow him to clean.
- 8.7 The Applicant also alleged the CCTV system did not work, because the Second Respondent had failed to provide him with recordings when requested; the Second Respondent having claimed these recordings comprised privileged information that should not be shared.
- 8.8 The Applicant in conjunction with his Counsel said the buildings' insurance premium was excessive. They compared the insurance costs in service charge year 2023/24 against those of previous years and highlighted the uplift. It was their opinion the increased premium had been entirely due to the Second Respondent's decision to enter into a qualifying long-term agreement with an insurance provider for whole portfolio buildings' cover.
- 8.9 Tribunal asked the Applicant whether he had secured any alternative building insurance premium quotes for the costs he challenged in his application. He said he had no comparative premium quotes to offer the Tribunal but had sought to rely upon the actual buildings' insurance premium for 2022/23 as a reference point. In this year the insurer Avid provided stand-alone cover for the Estate significantly lower than the charge for the following year.
- 8.10 The Applicant and his Counsel addressed the issue of apportionment of the service charge costs. He told Tribunal the use of square footage as a basis for apportionment was unfair. He opined this method did not reflect the use of services, given that there is no direct proportionality between apartment floor area and the use of the common areas and grounds by leaseholders. He argued for an equal distribution of the service charge costs.

9. Submissions of the First Respondent

- 9.1 Counsel, Mr Mahon, explained that the role of the First Respondent was to commission works to be carried out at the Property by the Second Respondent, monitor the quality of any works undertaken, provide an initial point of contact for their leaseholders at the Estate and to recharge service charges to the sub-lessees. Counsel advised Tribunal it was not his intention to dispute the reasonableness or payability of the charges made by the Second Respondent.
- 9.2 Counsel did explain that his primary role at the hearing was to clarify and justify the services charges made by Quadrant which, in 2023/24 had amounted to £150 and 2024/25, £161.
- 9.3 Ms Maffei was called as a witness to describe to Tribunal the role of Quadrant as an intermediate landlord. She detailed how the neighbourhood lead contact operated, as the primary point of contact

for the Applicant and other sub-lessees, wishing to discuss or make a compliant about services provided by the Second Respondent. The neighbourhood lead would then pursue the respective sub-lessee's query or complaint with the Second Respondent.

- 9.4 Ms Maffei also described the role of Quadrant's accounts department in reviewing service charge estimates offered by the Second Respondent and the adequacy of invoices. She told Tribunal that, in the service charge year 2023/24 the billing by the Second Respondent had not complied with the contractual arrangement and Quadrant had deferred their liability for services charges and those of the sub-lessees until the following service charge year. She emphasised this had not led to a reduction in service charge costs but rather a 12-months' delay in the costs being payable.

10. Submissions of the Second Respondent

- 10.1 Mr Essilfie-Bondezi was called as a witness for the Second Respondent and referred Tribunal to his statement contained in the bundle at pp.446-464.
- 10.2 At paragraph 20 of his witness statement he explained how the service charges for the Estate were calculated in the year in dispute. The adopted method takes allocated costs for undertaking different activities across the Gascoigne Estate. He explained the procedure of some of these apportionments and accepted assumptions had to be made in respect of time and resource allocations in this process. He also addressed the costs for the buildings' insurance premium, explaining to Tribunal that the period of cover was from September 2023 to August 2024, meaning the annual premium had to be split pro rata across two service charge years.
- 10.3 Mr Essilfie-Bondezi also provided an extract from an LBB&D cabinet report in respect of building insurance, following the withdrawal of the previous insurance company's willingness to continue cover in respect of the local authority's buildings' insurance risk. This document sets-out their intention to enter into a long-term Qualifying Agreement, for a period of three, plus two, years commencing on 30 September 2023, with an overall insurance premium of around £10 million
- 10.4 Mr Essilfie-Bondezi explained that advice was sought from Gallagher insurance brokers, as to how best to secure cover and Gallagher's advice was that a block insurance approach was the most cost-effective option for the local authority, given the range of risks and property types.
- 10.5 The Tribunal questioned the witness about records for maintenance, cleaning and caretaking works. He was unable to confirm if there were records for any of these activities.
- 10.6 Ms Bleasdale and Mr Essilfie-Bondezi referred Tribunal to the hourly rate for the gardening service, which was £36.86 and he also said 179-

hours of gardeners time was allocated to grounds maintenance during 2023/24.

- 10.7 On caretaking charges for Beckett Court, he said some £19,121.25 had been expended and this represented a service level of 13.5 hours per week. A tabular schedule that recorded monitoring visits of caretaking services was adduced by Counsel for the Second Respondent. Whilst this offered some evidence of visits to monitor caretaking performance throughout the year in dispute, it failed to provide clarity when the Tribunal queried some of the entries.
- 10.8 Tribunal was told cleaning of flat windows was a leaseholder responsibility with the relevant costs being for cleaning of the windows serving the communal parts only.
- 10.9 The reluctance on the part of the Second Respondent to release CCTV recordings was to ensure compliance with the local authority's responsibilities under GDPR legislation. However, Tribunal was advised the CCTV cameras do operate satisfactorily and the unwillingness to provide the data was not evidence as to failure of the system.
- 10.10 The accuracy of the photographs provided by the Applicant showing staining and other defects through the common parts were challenged by Ms Bleasdale, who said most of the images did not relate to Beckett Court. She however accepted it had proven difficult to maintain a grassed area to the centre of the Podium, due to the heavy use of the area.
- 10.11 In conclusion, Ms Bleasdale said that management charge for the estate was fair, reasonable and should be considered on a standalone basis and not jointly with the charge made by Quadrant. She said the specific head lease and intermediate leasehold agreements at the Property made it essential for there to be two managing agents and both had separate rôles.
- 10.12 In summing up, Ms Bleasdale drew Tribunal's attention to the inadequacy of the report prepared for the Applicant by Mr Waites. She said it lacked detail and should not be relied upon. She also opined that the failure of the Applicant to provide alternative quotes undermined his unreasonableness argument in respect of the costs for buildings' insurance. Ms Bleasdale reiterated it was incumbent upon the Applicant to provide alternative quotes, as he could not rely solely upon historic charges given the changing circumstances of the insurance market.

11. Findings of the Tribunal in respect of the Application

- 11.1 Counsel for the Applicant confirmed that they did not challenge the payability of the service charges, rather only the reasonableness of those charges.

11.2 s.18-s.30 of the Landlord & Tenant Act 1985 provided the principal statutory frame work for the regulation of service charge costs in residential leasehold property.

11.3 s.19 provides:

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 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.

11.4 In *The London Borough of Hounslow – v – Waaler [2017] EWCA Civ 45* Patten, **Lewison**, Burnett LJ observed that, if a landlord incurs costs that are not justified by applying the test of rationality, then they would fall outside the scope of the contractually recoverable service charge.

11.5 This was a distinct issue from the question of reasonableness, of which he said at paragraph 25:

'The Landlord & Tenant Act 1985 must have been intended to provide protection against costs which, for its operation, would have been contractually recoverable. It follows in my judgement that merely apply a rationality test would not give effect the purpose of the legislation. The statutory test is whether the cost of the work is reasonably incurred.'

11.6 Lewison had gone on to say, at paragraph 37 of the judgement that:

'In my judgement therefore, whether costs have been reasonably incurred, is not simply a question of process, it is also a question of outcome; that said, it must always be borne in mind that where the landlord is faced with a choice between different methods of dealing with a problem in the physical fabric of building (whether the problem arises out of a design defect or not), there may be many outcomes each of which is reasonable. I agree with Mr Beglan that the Tribunal should not simply impose its own decision; if the landlord has chosen a course of action which leads to a reasonable outcome the costs of pursuing that course of action will have been reasonably incurred, even if there was another cheaper which was also reasonable.'

'Tribunal recognised that there is a burden placed upon the Applicant to demonstrate they have a prima facie case in support of the Application. What constitutes a prima facie case will vary from application to application. In this case we consider that, as a minimum, the Applicant must show:

'(a) Their challenge is not a challenge simply to the way in which a landlord has reached its management decisions and action, because such a challenge would not

engage s.27A.

'(b) That their challenge sufficiently articulates an alternative course for the landlord so that a Tribunal could consider that, if that alternative course were adopted, it would reasonably arguable that costs incurred would be saved.

'That is not to say that the burden lies entirely on the Applicant to establish unreasonableness, but they must make a substantive case to justify their argument.'

- 11.7 The Tribunal is not provided with alternative quotes for any of the disputed costs. The Directions, which states at 2(3) under the heading 'The tenant's case' (p4):

'• copies of any alternative quote'
[the tenant wished to reply upon]

- 11.7.1 This failure to provide a lack of alternative quotes to the Tribunal in respect of the any of the service charges and insurance premiums challenges has undermined his ability to demonstrate a prima facie case in support of the Application.
- 11.7.2 It also presented difficulties to the Tribunal in the assessment of the reasonableness of any service charges.

12. Apportionment of service charge costs

12.1 Findings of Tribunal

- 12.1.1 The Tribunal was not provided with any compelling evidence that the current method of apportionment was unfair or unsatisfactory. The current method adopted by the Respondents is regarded as an "industry standard approach" taking square metreage as a proxy for leaseholders' use of the common parts and indicative of the extent of the volume of the building taken up by any specific flat.
- 12.1.2 The use of square meterage is a predictable method of calculation and lends itself to a stable forecasting approach, which is administratively efficient.
- 12.1.3 The Tribunal do not agree with Counsel for the Applicant that the adopted apportionment method is "fundamentally unfair", when an alternative approach not based on square footage would lead to a disproportionately high charge for leaseholders of small flats, with leaseholders of the larger flats paying a reduced amount. Tribunal consider the proposed alternative apportionment inequitable by failing to associate property size to service charge. The current method is consistent with lease clause 3.3.4.3 that compels the Applicant to pay "a fair and reasonable proportion of the service charge due under the Superior Lease".

12.2 Tribunal decision

- 12.2.1 It is for the above reasons Tribunal endorses the current method of apportionment, considering this to be both fair and reasonable.

13. Disputed charges for window cleaning

- 13.1 The total charge for the block was £110 per quarter (£440 pa). This equates to a charge of £11.20 to the Applicant.
- 13.2 The Tribunal is not provided with any alternative quotes and based on their experience and knowledge, deemed the charge reasonable for the service provided.
- 13.3 It is appreciated the Applicant claims his flat window is not cleaned as part of the cleaning routine. The lease excludes demised windows from the responsibility of the Respondents cleaning programme.
- 13.4 **Tribunal decision**
- 13.4.1 The £11.20 charge for window cleaning across the common parts of the block were both reasonable and payable.

14. Buildings' insurance

- 14.1 The sum Demanded for insurance costs by the First Respondent for the 2023/24 service charge year is £462.25.
- 14.2 The Applicant proposes he pay a pro rata charge of £303.37. This is a sum based upon the 2022/23 insurance premium.
- 14.3 No alternative quotes for the buildings' insurance were given by the Applicant. It was however argued by his Counsel that the uplift in the pro rata charge was sufficient to form a prima facie case that the £462.25 cost was unreasonable.
- 14.4 **Findings of the Tribunal**
- 14.4.1 Tribunal do not accept the Applicants argument that he established a prima facie case that insurance charges are unreasonable. Many factors affect the cost of insurance and to make the claim without evidence that the only reason for the uplift in the premium costs between years 2022/23 to 2023/24 is the inception of a QLTA block policy is not accepted .
- 14.4.2 The exogenous factors that typically influence charges for block insurance include an underwriters' perceived level of risk in respect of the property portfolio; the insurance market for building insurance at the date the risk is insured; and the specific details of any policy pertaining to Beckett Court. These factors were not addressed in evidence.

- 14.4.3 In the absence of any alternative quotes having been provided to Tribunal, it is not possible to assess whether the change in any of these factors was material to the cost of insurance.

14.5 Decision of the Tribunal

- 14.5.1 In the absence of any alternative evidence, the Tribunal relies upon the advice given to the Second Respondent by their insurance broker, Gallagher's. It was Gallagher's recommendation to the Second Respondent that the most prudent and cost-effective means of insuring all properties in their portfolio, was to enter into a qualifying long-term agreement with an insurance provider for buildings' cover.
- 14.5.2 The Applicant did not adduce any evidence to challenge this advice.
- 14.5.3 It was for these reasons Tribunal determine the pro rata sum of £462.25 is both reasonable and payable.

15. Cleaning and caretaking

- 15.1A sum of £509.81 was Demanded by the Second Respondent during the service charge year 2023/24.
- 15.2Counsel for the Applicant was unable to offer alternative quotes or estimates for these services when questioned. The Expert Report of Mr Waites was deemed of little value in this regard.
- 15.3The schedules offered by the service provider were considered unhelpful in enabling Tribunal to determine the extent of actual services provided.

15.4 Findings of Tribunal

- 15.4.1 It is noted no complaint is made by the Applicant about the quality of cleaning and caretaking services provided during the relevant service charge year.
- 15.4.2 The photographs provided by the Applicant offered an indication as to the overall standard of cleaning and caretaking on the Estate and particularly at Beckett Court. It was therefore Tribunal's opinion this fell below a reasonable standard for the charges made.
- 15.4.3 The Tribunal relied upon the submitted photographs to conclude the quality of the service delivery was inadequate. It was not possible to validate the number of visits or hours spent at the property by the staff carrying out duties.
- 15.4.4 The Tribunal concluded based upon their experience and knowledge a 20% reduction in charges is appropriate given the quality of the service delivery.

15.5 Decision of Tribunal

- 15.5.1 The Tribunal therefore determines a sum of **£407.85** is both reasonable and payable by the Applicant for the service charge year 2023/24 for cleaning and caretaking services.

16. Grounds' maintenance

- 16.1 The sum charged for these services during the service charge year 2023/24 is £175.92.

- 16.2 The Applicant has proposed a charge of £87.96.

16.3 Findings of Tribunal

- 16.3.1 The Tribunal is told 179 hours' grounds maintenance work was allocated to Beckett Court during the relevant year. The hourly rate is £36.86.

- 16.3.2 There is limited evidence that maintenance of the gardens extended throughout the entire service charge year, given the dates on the photographs provided by the Second Respondent.

- 16.3.3 From review of the submitted photograph and submissions by the Applicant the Tribunal conclude the quality of the grounds maintenance fell below an acceptable standard when measured against the 179 hours claimed to have been allocated to the care of the communal gardens and grounds by Reside on behalf of the Second Respondent.

16.4 Decision of Tribunal

- 16.4.1 The Tribunal based upon their experience and knowledge has determined a reduction of 20% in the service charge for grounds' maintenance payable by the Applicant.

- 16.4.2 **A sum of £140.74 is therefore deemed reasonable and payable by the Applicant.**

17. Estate roads

- 17.1 The Applicant is asked to pay £2.46 toward the costs of maintenance of estate roads.

- 17.2 The Second Respondent accepted that maintenance costs of the estate roads fell outside the leaseholders' obligations.

17.3 Decision of Tribunal

- 17.3.1 Tribunal determined this sum is not payable by the Applicant.

18. CCTV maintenance charges

- 18.1 The Applicant is asked to pay £4 during the 2023/24 service charge year.

18.2 Findings of Tribunal

18.2.1 The Tribunal accepts the Second Respondent's failure to provide the CCTV recordings is not confirmation of a faulty system.

18.2.2 The £4 charge is for maintenance rather than an installation cost. No alternative quotes for such maintenance are offered by the Applicant.

18.3 Decision of Tribunal

18.3.1 Tribunal determines the charge **of £4** for maintenance of the CCTV system is both reasonable and payable.

19. Management fees

19.1 Management fees Demanded in the service charge year 2023/24 are £150 to Quadrant and £233.26 to the Second Respondent/Reside.

19.2 Findings of Tribunal

19.2.1 The Tribunal enquiries revealed that no description of the management services provided to the leaseholders was offered by either Respondent. In the guidance by the Royal Institution of Chartered Surveyors' (RICS) *'Service Charge Residential Management Code and additional advice to leaseholders and agents'* it requires managing agents to

“ make it clear what services you are proposing to provide and at what cost, as well as the extent and limit of any additional services available.” Section 3.3

19.2.2 It was apparent from oral evidence given by the Applicant that he was unaware of the extent of services carried by the First Respondent and considered the quality of the services provided by the Second Respondent to be wholly unsatisfactory.

19.2.3 Despite the evidence presented of regular inspections carried out by the First Respondent, together with the performance of the Neighbourhood Housing Lead on behalf of the Second Respondent, the Tribunal was not convinced that a £7,500 fee per annum received by the First Respondents for management of the 50 leasehold properties in Beckett Court was fair and reasonable.

19.2.4 It is not disputed by the Tribunal that the Second Respondent (through Reside) provide a comprehensive series of services. The Tribunal gave weight to the assertion by the Applicant that the quality of this service fell below that which would typically be expected if the property was managed by a superior managing agent.

19.2.5 The Tribunal did identify some inadequacies in cleaning, caretaking and grounds' maintenance delivery. They also noted a lack of transparency between the First and Second Respondents in the transfer of information about charges.

19.3 **Decision of Tribunal**

19.3.1 The Applicant failed to offer any alternative quotes for the management of these properties.

19.3.2 It is recognised that the legal structure of the properties is unusual, with the presence of an intermediate landlord but with most services being provided by a further intermediary. Notwithstanding this property ownership arrangement the leaseholders should not suffer prejudice.

19.3.3 The Tribunal, based on its knowledge and experience of similar management arrangements throughout east London determines **£275 per annum** is an appropriate charge, in respect of the management company services provided by both the First and Second Respondents.

Summary of Findings: Table 1

<u>Service charges 2023/24 : Tribunal determination</u>		
	Service charge Sum Demanded 2023/24	Tribunal determined sum
Estate Management Roads	£ 2.46	£ -
Caretaking	£ 509.81	£ 407.85
Window cleaning	£ 11.20	£ 11.20
Grounds maintenance	£ 175.92	£ 140.74
CCTV maintenance	£ 4.00	£ 4.00
Buildings' insurance	£ 462.25	£ 462.25
Management fees	£ 150.00	£ 275.00
	£ 233.26	
Totals	£ 1,548.90	£ 1,301.04

20. Service charge budget for 2024/25

20.1 Tribunal is asked to decide in respect of the budgeted costs for 2024/25.

20.2 **Decision of Tribunal**

20.3 The parties agreed at the hearing that disputed fees and charges determined by the Tribunal in respect of the 2023/24 service charge year should be adopted as a basis for the 2024/25 budgeted costs. They

also agreed that these determined sums would be subject to a 4.2% uplift in calculation of the 2024/25 budget.

- 20.4 The only sum in dispute is the insurance charge which is budgeted at £706.41. The Applicant who argues for a sum of £303.37 for 2023/24. proposes a sum of £407.85 for 2024/25.
- 20.5 The Tribunal has explained their opinion on securing building insurance and how the Second Respondent had arrived at their decision in respect of the service charge year 2023/24. That same reasoning is relevant to the determination of a budgeted cost, given that the buildings' insurance is provided through a qualifying long-term agreement.
- 20.6 No alternative insurance quote is provided by the Applicant for the Tribunal to consider, as a basis for the 2024/25 budget. Also no evidence is offered to justify any change in market conditions for insurance provision in respect of blocks of flats like Beckett Court.
- 20.7 It is for these reasons that Tribunal determines a **sum of £706.41** in respect of buildings' insurance is both reasonable and payable for the 2024/25 service charge year.

Summary of Findings : Table 2

Budgeted Service charges 2024/25 : Tribunal determination		
	Tribunal determined sum 2023/24	Budgeted sum 2024/25
Estate Management Roads	£ -	£ -
Caretaking	£ 407.85	£ 424.98
Window cleaning	£ 11.20	£ 11.67
Grounds maintenance	£ 140.74	£ 146.65
CCTV maintenance	£ 4.00	£ 4.17
Buildings' insurance	£ 462.25	£ 706.41
Management fees	£ 275.00	£ 286.55
		£ -
Totals	£ 1,301.04	£ 1,580.43

21. Costs

21.1 **Section s.20C of the Landlord & Tenant 1985 Act**

- 21.1.1 The Applicant sought a 20C Order under the provisions of the 1985 Act.
- 21.1.2 During the Hearing this request was brought to the attention of respective Counsel for both the First and Second Respondents, who in

turn requested this matter be deferred until a decision be made on the substantive issues.

21.1.3 The Tribunal invites the parties to make their s.20C costs' submissions **within four-weeks from the date of this Decision.**

21.1.4 The parties will be invited to comment on any 20C Order Costs application.

21.2 **Rule 13 costs**

21.2.1 The Applicant also made a written and oral request for an award of a Rule 13 costs Order.

21.2.2 It was explained to Counsel for the Applicant that, should he wish to pursue a Rule 13 costs order on behalf of his client this should be made following the substantive Decision is made.

21.2.3 The Tribunal therefore invites the Applicant to make his submission for a Rule 13 Costs' Order **within four-weeks of the date of this Decision.**

21.2.4 The Respondents will be invited to comment upon any such application.

Name: Ian B Holdsworth
Judge

Date: 11 November 2025

RIGHTS OF APPEAL

- 1 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.
- 2 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.
- 3 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.
- 4 The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie, 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.

APPENDIX OF RELEVANT LEGISLATION

Landlord and Tenant Act 1985 (as amended)

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 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.
- (3) An application may also be made to the appropriate 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 20

- (1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either: -
- (a) complied with in relation to the works or agreement; or
 - (b) dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal.

- (2) In this section 'relevant contribution', in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.
- (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long-term agreement: -
 - (a) if relevant costs incurred under the agreement exceed an appropriate amount; or
 - (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount: -
 - (a) an amount prescribed by, or determined in accordance with, the regulations; and
 - (b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.]

Section 20B

- (1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.
- (2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he

would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

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.

Section 21B

- (1) A demand for the payment of a service charge must be accompanied by a summary of the rights and obligations of tenants of dwellings in relation to service charges.
- (2) The Secretary of State may make regulations prescribing requirements as to the form and content of such summaries of rights and obligations.
- (3) A tenant may withhold payment of a service charge which has been demanded from him if subsection (1) is not complied with in relation to the demand.
- (4) Where a tenant withholds a service charge under this section, any provisions of the lease relating to non-payment or late payment of service

charges do not have effect in relation to the period for which he so withholds it.

- (5) Regulations under subsection (2) may make different provision for different purposes.
- (6) Regulations under subsection (2) shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.