



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

<b>Case Reference</b>	: HAV/43UG/LSC/2025/0622
<b>Property</b>	: 25 Limebush Close, New Haw, Addlestone, Surrey, KT15 3LW
<b>Applicant</b>	: Limebush Close Limited (management company)
<b>Representative</b>	: In person
<b>Respondent</b>	: Mr George Mokonchu (tenant)
<b>Representative</b>	: In person
<b>Type of Application</b>	: Liability to pay service charges under s.27A Landlord and Tenant Act 1985
<b>Tribunal Members</b>	: Judge Mark Loveday Mr Chris Skinner Mr David Cotterell FRICS
<b>Date and venue of hearing</b>	: 3 October 2025 (paper determination)
<b>Date of Decision</b>	: 8 October 2025

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**DETERMINATION**

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## **Introduction**

1. This is an application for determination of liability to pay service charges. The matter was dealt with on the papers without a hearing, and the respondent has not submitted any formal response to the application. This determination is therefore in shorter form than would otherwise be necessary.

## **Background**

2. The matter relates to 25 Limebush Close, New Haw, Addlestone, Surrey, KT15 3LW, which comprises a ground floor purpose-built flat in a block of 10.
3. By a lease dated 11 May 1984, the flat was demised for a term of 999 years from 29 September 1983. The lease was in tripartite form, with the applicant lessee-owned management company responsible for the provision of services and the collection of service charges. The lease is vested in the respondent. The freehold is vested in Lamda GR Limited, although it is not a party to the application.
4. Clause 3 of the lease includes a fairly simple form of service charge provision, which does not make express provision for interim or balancing services:

“3(ii) To pay to the Company on demand such sums as it shall from time to time require from the Tenant in respect of service charges whereby the Company will recover and provide for all expenditure incurred or to be incurred by it in performing its obligations hereunder (including reserves for future, periodic or exceptional expenditure and including all management fees and other fees and expenses reasonably incurred by the Company) as to which the Tenant shall be liable for one ~~eighth~~ / tenth of expenditure relating to the block or the garden and one-twenty sixth of expenditure relating to the common parts or the services save however in respect of the parts of the common parts or the services which serve less than the whole Estate in which case the Tenants contribution shall be in proportion to the number of flats which are actually served or intended to be served by such part of the common parts or the services”

5. The block is self-managed by the applicant. For many years, it has adopted the practice of setting an annual service charge at periodic intervals and collecting contributions by equal monthly instalments in advance by direct debit/standing order. It does not appear to make any adjustment to sums payable by the tenant at year end. This practice, which is not uncommon in small self-managed blocks of flats, may not comply with s.19(2) Landlord and Tenant Act 1985 and the RICS Service Charge Residential Management Code. Moreover, although the applicant is plainly aware of its obligation to provide annual accounts, it simply prepares corporate Financial Statements detailing income and expenditure rather than service charge accounts in form set out in Tech O3/11. But the applicant's approach is consistent with the contractual scheme in clause 3(ii) of the lease, and these considerations are not therefore relevant to the Tribunal's determination below.

6. The sums set by the applicant for each material year have been as follows:

Service charge year ending 31 December	Annual charge
2018	£264
2019	£469
2020	£540
2021	£540
2022	£540
2023	£540
2024	£1,020

7. The respondent apparently paid his service charges as requested until August 2019. On 2 July 2019, the applicant wrote to the respondent explaining that the monthly instalments were to increase from £22 per month to £45 per month. On 4 August 2019, The respondent replied that he did not think that the Board had the authority to increase the service charge. There was then correspondence about the respondent being invited to join the applicant's Board of Directors. But in any event, the standing order was not increased beyond the previous £22 per month, and arrears quickly mounted. On 31 July 2020, the respondent explained that

*“My account is not in arrears because I (do) not recognize the action of someone writing to me, purporting to be the Director for Limebush Association and more than doubling my association fees with discussion and approval by the Board. Again, I requested that you provide your appointment letter, name, address and telephone number so I can submit to a local solicitor to act on my behalf.”*

Whatever the merits of this argument, the tribunal plainly has no jurisdiction to deal with the issue of whether a company’s directors were regularly appointed.

8. In any event, on 7 February 2025, the applicant applied to determine liability to pay the respondent’s service charges under s.27A Landlord and Tenant Act 1985 LTA 1985 for the 2019, 2020, 2021, 2022, 2023, 2024 and 2025 years. Directions were given on 8 May 2025, a CMC took place on 8 July 2025, and further directions were given on that date. The applicant has filed a Position Statement explaining its position. The respondent did not attend the CMC, has not filed any kind of evidence or response to the application, and apparently now resides in the USA.

### **Service charges**

9. The tribunal is satisfied that the charges meet the requirements of clause 3(ii) of the lease. As already explained, the service charge provision is fairly basic. Charges may be claimed “on demand ... from time to time”, which includes an annual charge by monthly instalments – or even at irregular intervals. The position statement suggests that the service charge covers services provided by the applicant such as “groundskeeping, window cleaning, internal and external decoration of the common parts, building repairs and maintenance, fire safety, health & safety, etc.” These are all services which fall within the applicant’s obligations in clause 4 of the lease and they are therefore “expenditure incurred or to be incurred by it in performing [the applicant’s] obligations” within the meaning of clause 3(ii). There is also an element relating to a reserve fund, which is covered by the reference in clause 3(ii) to “reserves for future, periodic or exceptional expenditure”.

10. There are no obvious statutory restrictions that apply. Periodic revisions of the service charges were accompanied by summaries of rights and obligations in accordance with s.21B of the 1985 Act. There is no *prima facie* argument that the amount of the charges was greater than is reasonable under s.19(2) of the 1985 Act. Since the charges are effectively interim service charges, s.20B of the 1985 Act is unlikely to apply.
11. Absent any submission from the respondent, the tribunal is not required to undertake to consider every possible statutory defence to liability to pay. Suffice it to say that the tribunal is satisfied that the respondent is liable to pay the service charges set out in paragraph 6 above. It is a matter for the court quite what amounts have been paid and any balances which are outstanding.

### **Interest**

12. The s.27A application also refers to interest. Interest is not a “service charge” within the meaning of s.18 of the 1985 Act. There is no application to determine an administration charge under Sch.11 to the Commonhold and Leasehold Reform Act 20220 (even if contractual interest can be characterised as an administration charge). The tribunal again leaves the issue of interest to the County Court.

### **Decision**

13. The tribunal determines under s.27A of the 1985 Act that the respondent is liable to pay the applicant the service charges set out in paragraph 6 above.

Judge Mark Loveday

8 October 2025

## **Appeals**

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to [rpcsouth-ern@justice.gov.uk](mailto:rpcsouth-ern@justice.gov.uk) to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.