



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

Case reference : **CAM/26UD/LSC/2025/0631**

Property : **90 Pearson Avenue, Hertford,
Hertfordshire, SG13 8HH**

Applicant : **Olivia Ruben**

Representative : **Jason Ruben**

Respondent : **Sovereign Network Homes**

Representative : **Graeme Kirk, Counsel**

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 Bernadette MacQueen
Roland Thomas, MRICS**

Venue : **Cloud Video Platform (CVP)**

Date of hearing : **23 October 2025**

Date of decision : **15 December 2025**

DECISION

Decisions of the Tribunal

- (1) The Tribunal determines that the amounts as set out in this decision are payable by the Applicant in respect of the service charges for the years ending 2019 to 2024.
- (2) The Tribunal makes the determinations as set out under the various headings in this decision.
- (3) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord's costs of the Tribunal proceedings may be passed to the Applicant through any service charge.
- (4) The Tribunal makes an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 that the Applicant shall not be liable to pay an administration charge in respect of litigation costs.
- (5) The Tribunal determines that the Respondent shall pay the Applicant £110 which is the application fee that the Applicant has paid to the Tribunal as well as £227 which is the hearing fee that the Applicant has paid to the Tribunal. The Respondent shall therefore pay to the Applicant £337 within 28 days of this Decision, in respect of the reimbursement of the Tribunal fees paid by the Applicant.

The Application

1. The Applicant sought a determination pursuant to section 27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of the service charge years 2018/19 to 2023/24.

The Hearing

2. The Applicant appeared and was represented by Jason Ruben. The Respondent was represented by Graeme Kirk, Counsel.
3. The Tribunal had before it an electronic bundle of documents which had been divided into three parts. Bundle one consisted of 94 pages, bundle two consisted of 156 pages and bundle three consisted of 319 pages (together referred to below as the Bundle).
4. Neither party requested an inspection and the Tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.

The Background

5. The Applicant was the leaseholder of 90 Pearson Avenue, Hertford, Hertfordshire, SG13 8HH (the Property). The relevant lease was dated 8 July 1985 and made between East Hertfordshire District Council and Joyce Elizabeth Hayes (the Lease) and is registered under title number HD195491. The Respondent was the freeholder of the Property.
6. The Lease was assigned to the Applicant on 14 December 2018 and service charges for that year were apportioned between the Applicant and the assignor in proportions to the amounts of the year during which they held the Lease. The Applicant's liability for this year is therefore limited to 14 December 2018 to 31 March 2019.
7. The Property was one of four flats within a residential building known as 84 to 90 Pearson Avenue (the Building). Two of the flats were granted on long leases and the remaining two were granted on assured tenancies. The Applicant was one of the two long leaseholders within the Building.
8. There was no dispute that the Lease required the Applicant to pay service charges that represented one quarter of the recoverable totals. One quarter was payable by the other long lessee within the Building and the other half was retained as a cost to the Respondent.

The issues

9. At the start of the hearing the parties identified the relevant issues for determination as the payability and/or reasonableness of service charges for the service charge years ending 2019 to 2024.
10. The items that the Applicant disputed were set out in the Scott Schedule (the Schedule) that had been completed by both the Applicant and the Respondent.
11. Having heard evidence and submissions from the parties and considered all of the documents provided, the Tribunal determined the issues as set out in the Schedule as follows.

Communal Electricity - Service Charge Year Ending 2019

12. For the service charge year ending 2019, the Applicant questioned why she had been given a credit of £1.88 when she was expecting to pay approximately £52. The Respondent confirmed that they would not be demanding any further amount for this period. The Tribunal accepts the position of the Respondent and finds that, for the year ending 2019, the communal electricity costs should be a credit of £1.88 to the Applicant.

Communal Electricity – Service Charge Years Ending 2020 to 2024

13. The Applicant presented to the Tribunal detailed and well prepared evidence which demonstrated that the meter readings that the Respondent relied on to calculate communal electricity charges were not accurate.
14. With the agreement of both parties, the Tribunal allowed the Respondent time to arrange for a meter reading to be taken so that the communal electricity charge could be corrected.
15. The Tribunal therefore adjourned this aspect of the decision and made further directions in relation to it. The decision below provides the Tribunal's findings on all other aspects in dispute. The Tribunal will issue a separate decision once the position as to communal electricity charges has been further clarified.

Service Charge Year Ending March 2019

16. The Applicant identified three disputed charges for this period namely cleaning cost, communal heating and hot water, and management fee.
17. It was agreed by both parties that the Applicant moved into the Property on 14 December 2018, and therefore was liable for service charge costs for the period 14 December 2018 to 31 March 2019. The Respondent told the Tribunal that although they sent estimated service charge costs to the Applicant, a letter setting out the actual amounts was not served. The Respondent accepted that they did not serve a demand within the 18 month time limit and therefore the Respondent has not made any balancing demand. Consequently, the Tribunal was asked to consider the estimated budget.

Cleaning Cost - £6.68

18. The Respondent confirmed that a charge was not made for cleaning costs in the budget, and so the Applicant was not liable to pay cleaning costs. The amount of £6.68 was therefore not payable. The Tribunal accepts this position and finds that no charge is payable.

Communal Heating and Hot Water - £2.48

19. The Respondent confirmed that a charge was not made for communal heating and hot water in the budget, and so the Applicant was not liable to pay. The amount of £2.48 was therefore not payable. The Tribunal accepts this position and finds that no charge is payable.

Management Fee - £24.95

20. The management fee was £24.95 which the Respondent confirmed equated to 15% of the service charge expenditure. The Applicant's position was that she should in fact pay £33.04.
21. The Tribunal finds that £24.95 is payable and accepts the Respondent's evidence that the amount claimed equates to 15% of the service charge expenditure.
22. The Tribunal notes that, to the Applicant's credit, she wanted to ensure that she paid the correct amount and was prepared to state that she believed she should pay a higher amount than had been demanded of her.

Year Ending 31 March 2020

23. The Applicant disputed the charge for the Legionella Report, ground maintenance and management fee.

Legionella Report - £165.30

24. The Applicant told the Tribunal that she accepted that the report was necessary but her position was that the report was not fit for purpose. The Applicant told the Tribunal that the Respondent had not contacted the Applicant to confirm that the survey was being completed so that access to the Property could be arranged. Further, the Applicant told the Tribunal that no follow up inspection was completed.
25. The Respondent submitted that it was best practice to carry out a legionella survey every two years. The Respondent explained that the cost of £165.30 was for a report completed by IWS Integrated Water Services Limited on 4 March 2020 (total costs £573) and also the cost of an asbestos test which was carried out by Tersus Group on 7 September 2018. The report for this was dated 14 September 2018 and the cost was £88.20. The total cost of these two reports (£661.20) was divided by four meaning that the Applicant's share was £165.30.
26. Regarding the legionella report, the Respondent submitted that it was possible to complete the report based on the pipes and/or tanks so long as these were part of the communal system. The Respondent did not accept the Applicant's position that the report was not fit for purpose.

Tribunal Decision - Legionella Report

27. The Tribunal considered the legionella report which was Exhibit MM20 within the Bundle. The assessment date of the report was 4 March 2020. The report confirmed that the assessor was unable to gain access to the roof/loft space and also confirmed that the surveyor was unable to access

the cold water tanks as no residents were present. Further, the report confirmed that no legionella policy was available for the assessor to inspect. Additionally, the report confirmed that future access to the Building was to be arranged so that temperatures could be checked at the outlets.

28. The Tribunal accepts the Applicant's evidence that she was not made aware of the report being completed and therefore the report writer was unable to gain access to the Building. Further, the Tribunal accepts the Applicant's evidence that no follow up visit was arranged in order to check the temperatures at the outlets. The Tribunal therefore accepts the Applicant's position that the survey was not fully completed. In light of this, the Tribunal finds that the cost of the report should be reduced by one third. The Tribunal therefore reduces the cost of the Legionella Report to £382, with the cost of the asbestos report remaining at £88.20, meaning that the Applicant's contribution is reduced from £165.30 to £117.55.

Grounds Maintenance - £306.54

29. The Applicant submitted that the cost of this item should be reduced to £150, stating that this would still be a 100% increase from the amount charged in 2019. Specifically, the Applicant submitted that the Respondent had included within the charge an amount for tree work that had been completed on another block of flats.
30. The Respondent accepted that tree work under internal reference number 34187 "potentially" related to a neighbouring building and not the Applicant's Building. The Respondent confirmed that they did not have access to the invoice that related to this tree work but stated that the cost of the disputed item was £64.20.
31. The Respondent further confirmed that the ground maintenance contract was renewed part way through the service charge period following a section 20 consultation. It was the Respondent's position that the increase in cost was because of inflation and a change of contractor. At Exhibit MM23 the Respondent included the notice regarding the qualifying long-term agreement.

Tribunal Decision - Grounds Maintenance

32. The Tribunal accepts that the tree work at a cost of £64.20 is not payable. The Respondent was not able to provide the invoice that related to this work and further its evidence to the Tribunal was that they had only assumed that the tree work related to the Property. The Tribunal is therefore not satisfied, on a balance of probabilities, that the amount of £64.20 is payable by the Applicant.

33. The Respondent confirmed that the contractor (New Green) completed work for the Respondent including the Pearson Avenue development and then sent monthly invoices for any work carried out and a purchase order would be raised subsequently. The Tribunal did not have before it details of the work that was completed and, further, the Tribunal accepts the evidence of the Applicant that the Building was surrounded by a relatively small area of grass. The Tribunal therefore does not accept the Respondent's position that grounds maintenance costs of £306.54 were reasonably incurred.
34. The Tribunal accepts the Applicant's position that a charge of £150 has been reasonably incurred for the ground maintenance work for the service charge year ending 2020.

Management Fee - £108.69

35. The Respondent confirmed that the management fee charge for the period was £108.69, which equated to 15% of the total service charge expenditure for each Property.
36. The Applicant submitted that to charge 15% of all service charges distorted the amount charged as not all of the service charges were payable.

Tribunal Decision – Management Fee

37. The Tribunal accepts the Applicant's position and finds that to charge a percentage fee based on service charges levied which were not payable distorted the fee. The Tribunal accepts that a charge of £25 for the period December to March 2019 is the basis upon which the Tribunal could calculate the management fee and therefore finds that for 2019 the management fee would be approximately £100. The Tribunal has used this as its starting figure and finds that a management fee of £100 is payable for the service charge year end 2020.

Service Charge Year Ending March 2021

38. The Applicant disputed the charges in relation to health and safety, grounds maintenance, communal maintenance, building insurance and management fee.

Health and Safety, Grounds Maintenance, Communal Maintenance and Building Insurance

39. The Applicant submitted that health and safety, grounds maintenance and communal maintenance had been apportioned between two properties rather than four.

40. The Respondent stated that the charges represented the leaseholders' contribution and therefore did not include the two tenanted properties in the block. 50% of the total expenditure was therefore divided between the two leasehold properties and the remaining 50% was borne by the Respondent as freeholder of the properties.
41. Having had this explanation, there was no dispute that £50.93 was payable for health and safety, £133.48 was payable for building insurance and £25.18 was payable for communal maintenance.

Grounds Maintenance - £685.01

42. The Applicant accepted that the Respondent had correctly apportioned the service charge by dividing it by four; however, the Applicant submitted that the charge of £685.01 was not reasonable.
43. The Respondent stated that the charge related to work completed by the grounds maintenance contractor and would include tree work.

Tribunal Decision – Grounds Maintenance

44. The Tribunal is not satisfied on a balance of probabilities that grounds maintenance work of £685.01 was reasonably incurred. The Tribunal was not provided with detail as to the work that was completed. The Tribunal was provided with a photograph of the Property and the area surrounding the Property at Exhibit MM4 (Bundle two). The Tribunal accepts the Applicant's position that the ground maintenance work completed would be predominantly grass cutting.
45. On the basis of the evidence before the Tribunal, the Tribunal accepts the position of the Applicant that £342.50 represents the reasonable cost incurred for this work for the service charge year ending 2021.

Management Fee - £69.46

46. The Applicant questioned why it appeared that she had only been charged 7% rather than 15%.
47. The Respondent stated that due to an administrative oversight, the Respondent had charged the Applicant 15% of the estimated annual service charge (£532.52) minus the estimated annual management fee (£69.46).
48. The Tribunal accepts the Respondent's explanation and makes no adjustment to the charge of £69.46 that the Respondent has charged the Applicant.

Service Charge Year Ending March 2022

49. The Applicant disputed the management fee and submitted that the amount charged had been overinflated by the electricity costs.
50. The Respondent stated that prior to June 2021, the management fee was calculated on a “flat rate” as a percentage of the overall service charge. However, on 28 June 2021 the Respondent informed leaseholders that a matrix would be used to calculate the management fee. This matrix meant that services were grouped together in categories with each category being assigned a cost. The leaseholders’ management fees were then calculated by adding together the total of the category costs relevant to the services the leaseholder had received. The Respondent confirmed that category costs did not increase if more than one service was provided within the same category. The Respondent also confirmed that this change had been introduced in order to provide what the Respondent considered to be a fairer calculation as it was based on the services provided to leaseholders rather than a set percentage.
51. The Respondent explained that all leaseholders were told that because the change in the way the management fee was calculated may mean that the management charge would increase, the Respondent would cap the amount at either £100 or 100% of the current fee, whichever was lower. In other words, if a leaseholder’s charge did increase, it would not exceed £100 above the previous year’s charge (Exhibit MM27).
52. The Applicant accepted the explanation given by the Respondent as to how the amount had been charged and that the management fee had been capped at £208.70. This item was no longer in dispute.

Service Charge Year Ending March 2023

53. The Applicant accepted the Respondent’s explanation as to how management fees were calculated and this item was no longer in dispute.
54. The Respondent accepted the Applicant’s position as to Estate Electricity and agreed that this charge would be removed.

Service Charge Year Ending March 2024

55. The Applicant accepted the Respondent’s explanation as to the calculation of the management fee and this item was therefore no longer in dispute.
56. The Applicant questioned why she had not been charged an amount for grounds maintenance for the estate (Estate Ground Maintenance). The Respondent confirmed that during this service charge year, the only

grounds maintenance charged to leaseholders related to the building and not the estate. There was therefore no charge to the Applicant. This item was therefore no longer in dispute.

57. The only item in dispute for this service charge year was therefore communal maintenance.

Communal Maintenance - £250.38

58. The Applicant submitted that to her knowledge no work had been completed so as to justify the charge of £250.38 for communal maintenance.

59. The Respondent summarised the work that had been completed as follows:

- (i) Repair to wooden communal gate leading to 88-90 (work number 2495359/1 and 2501834/1)
- (ii) Lock change on meter cupboard (work number 2521399/1)
- (iii) Clearance of communal intake cupboard outside flat 88 following Fire Risk Assessment (FRA) (work number 2551799/1)
- (iv) Internal intake cupboard lock changes (work number 2542833/1)
- (v) Open/force entry to blue door communal intake cupboard and remove items following FRA recommendation (work number 2556528/1)
- (vi) Repair to wooden communal gate leading to 88-90 (work number 2574361/1)

The Tribunal's decision – Communal Maintenance

60. The Tribunal does not accept the Respondent's evidence relating to the repair to the wooden communal gate leading to 88-90. This job has attracted three work numbers but there was no evidence before the Tribunal to explain this. The evidence before the Tribunal was that this work related to a repair to a wooden gate that was at the side of the Property. The Applicant told the Tribunal that the gate was scraping on the ground and therefore the repair was to adjust the gate so that it could be closed without dragging on the ground. The Tribunal does not accept the Respondent's evidence that the work amounted to £394.96 plus

£197.66. Instead, based on the information before the Tribunal, the Tribunal finds that it would be reasonable for this work to cost £100.

61. Further, the Tribunal accepts the evidence of the Applicant that because the lock was not changed on the meter cupboard, the Applicant was able to continue to take meter readings. The Tribunal therefore finds that either the lock was not changed or if, it was, the job was not completed to a reasonable standard. The Tribunal therefore disallows the charge of £206.92 for this work.
62. The Tribunal therefore finds that the reasonable cost for Applicant's proportion of the communal maintenance charge is £75. This is calculated taking the Applicant's total figure of £1,001.53, reducing the cost for the repair to the wooden communal gate to £100 and removing the cost of the work to change the lock on the meter cupboard then apportioning the amount.

Refund of fees

63. The Applicant made an application for the Respondent to pay to the Applicant the amount that she had paid to the Tribunal in respect of the application fee (£110) and hearing fee (£227). Having heard the submissions from the parties and taking into account the determinations above, the Tribunal orders the Respondent to refund the fees paid by the Applicant (totalling £337) within 28 days of the date of this decision.

Section 20C 1985 Act and Paragraph 5 of Schedule 11 Commonhold and Leasehold Reform Act 2002

64. The Applicant applied for an order under section 20C of the 1985 Act. Having heard the submissions from the parties and taking into account the determinations above, the Tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the Tribunal through the service charge.
65. The Applicant applied for an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 that the Applicant shall not be liable to pay an administration charge in respect of litigation costs. The Tribunal makes this order as it is just and equitable in light of the findings made.

Name: Judge Bernadette MacQueen

Date: 15 December 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property 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 property 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).