FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	LON/00BJ/LSC/2024/0687
Property	**:**	11 Avington House, 4 Holford Way, London SW15 5FB
Applicant	**:**	Mr Giray Ilik (tenant)
Representative	**:**	In person
Respondent	**:**	Roehampton Lane Residents Company Limited (management company)
Representative	**:**	M Gordon of counsel, instructed by JB Leitch Solicitors
Type of Application	**:**	Liability to pay service charges under s.27A Landlord and Tenant Act 1985
Tribunal Members	**:**	Judge Mark Loveday P Cliffe-Roberts FRICS J Herrington
Date and venue of hearing	**:**	23 September 2025 Havant Justice Centre, CVP
Date of Decision	**:**	22 October 2025

DETERMINATION

Introduction

1. This is an application under s.27A Landlord and Tenant Act 1985 ("LTA 1985") for determination of liability to pay service charges.

Background

2. The matter relates to 11 Avington House, 4 Holford Way, London SW15 5FB, which comprises a 2-bedroom flat in a block of 25 similar properties. The block forms part of the larger Queen Mary Estate development of 200 flats.

3. The headlease for the estate is held by Berkeley Seventy Seven Ltd, which is not a party of the application.

4. By a lease dated 20 April 2011, the flat was demised for a term of 125 years from 1 January 2007 ("the Lease"). The Lease is vested in the applicant. The Lease was in tripartite form, with the respondent management company responsible for the provision of services and the collection of service charges. The respondent retains FirstPort Property Services No.7 Ltd as managing agents.

5. The Lease includes standard service charge provisions, which include provisions for interim and balancing payments. The three basic service charges are described as (1) an Estate and Building Service Charge (2) an Apartment Service Charge for Avington House and (3) a Gym Service Charge. Insofar as they are relevant to the application, the material lease provisions are set out below.

6. Firstport has adopted a service charge year ending 30 September in each year. The agents account for the various charges annually, describing the Estate and Building Service Charge as an "Estate Charge" and the Apartment Service Charge as a "Block Service Charge". The tribunal adopts those labels in its decision. It was explained at the hearing that the agents applied an apportionment of 0.1647% of relevant costs to arrive at the applicant's Estate Service Charge, and an apportionment of 3.8949% of relevant costs to calculate the applicant's Block Service Charge.

7. The respondent has FirstPort prepared budgets for 2022/23 [**p.164**], 2023/24 [**p.165**] and 2024/25 [**p.179**] and demanded payment of quarterly service charges in advance. At year end it prepared service charge accounts for 2021/22 [**p.188**], 2022/23 [**p.296**] and 2023/24 [**p.61**]. During the relevant period the respondent made end of year adjustments. On 19 July 2023, the applicant was credited with £178.25 for the 2021/22 service charge year. On 28 March 2024, the respondent demanded payment of an additional £624.77 for the 2022/23 service charge year [**p.306**].

8. On 16 October 2024, the applicant applied to determine liability to pay service charges under s.27A LTA 1985. The application suggested he challenged elements of the 2022 and 2023 service charges, although by the time of the hearing it was clear this meant the 2021/22, 2022/23 and 2023/24 service charge years. The application also referred to interim charges for 2024 and 2025, although again by the time of the hearing, this meant the 2024/25 interim service charge years. Directions were given on 18 March, 16 May and 2 July 2025.

9. Both the applicant and respondent filed statements of case **[p.28]** and the applicant has replied to the respondent's case **[p.32]**. The applicant further filed witness statements from Cem Tamer (15 Avington House) and Michael Wirsam (10 Avington House) **[p.40].**

10. The matter was listed before a different regional panel because of a potential conflict involving one of the parties. A remote hearing took place on 23 September 2025. The applicant appeared in person. The respondent was represented by Mr Max Gordon of counsel. In addition to the documents included in the bundle prepared by the applicant, counsel referred to its statement of case and enclosures which had been omitted form the bundle. Although there were initial difficulties ensuring the applicant had copies of these documents, the tribunal was eventually able to proceed with the hearing. It is grateful to both the applicant and Mr Gordon for their helpful and economical submissions.

Witness Evidence

11. A brief mention should be made of the witness evidence. Mr Tamer attended the hearing and gave evidence. His witness statement dated 26 March 2025 **[p.39]** suggested that the service charges are unreasonably high relative to similar buildings in the area (£1800-£2000). The service charges for Mr Tamer's own flat far exceeded this average, totalling approximately £4,900 a year, with no corresponding improvements or additional services that would warrant such a premium.

12. In cross-examination, Mr Tamer accepted he had not produced any service charge accounts for similar buildings. He had reached his opinion by looking through real estate websites such as Zoopla. He as currently looking for a flat for his daughter, and flats in the area (Putney, Roehampton and Barnes) had service charges ranging from £1,800-£2,000 pa.

13. The Tribunal thanks Mr Tamer for attending the hearing and answering questions openly and honestly. But it cannot place any real weight on his evidence, which lacks specific detail about the costs incurred by landlords and management companies for similar block of flats.

Service charge accounting 2022/23

14. The applicant's first point was that the 2022/23 service charge accounts [**p.188**] were only signed on 27 July 2023, nearly a year after the end of the financial year. Whilst a notice under s.20B LTA 1985 had been issued [**p.228**], the consistent pattern of delayed budgeting followed by short payment deadlines was unreasonable. The applicant asked the tribunal to direct the respondent to issue budgets in a timely manner to ensure transparency and fairness for leaseholders. However, the tribunal has no power to make such any such direction.

CCTV and Security

15. The applicant referred to costs of £108,693 for "Security systems & CCTV" which appeared in the 2021/22 Estate Service Charge accounts [**p.247**]. He originally

argued there were no operational CCTV systems on the estate, merely dummy security cameras. The costs were therefore not justified. However, the respondent explained that "Security systems and CCTV" largely related to security patrols on the estate. The respondent's statement of case exhibited receipts for expenditure security staff, which gave details of hours worked and hourly charge rates.

16. At the hearing, the applicant submitted that the cost of security patrols was nevertheless excessive. He explained there were 2 security staff on the estate who worked in shifts (7pm to 7am weekdays and 24hrs at weekends). He provided no alternative estimates for the cost of providing full-time security patrols.

17. The respondent made general submissions about the applicant's failure to produce evidence in relation to s.19(1)(a) LTA 1985 challenges. In particular, counsel quoted from the Deputy President in *Enterprise Home Developments LLP v Adam* [2020] UKUT 0151 (LC) §28:

> "28. Much has changed since the Court of Appeal's decision in *Yorkbrook v Batten* but one important principle remains applicable, namely that it is for the party disputing the reasonableness of sums claimed to establish a prima facie case. Where, as in this case, the sums claimed do not appear unreasonable and there is only very limited evidence that the same services could have been provided more cheaply, the FTT is not required to adopt a sceptical approach. In this case it might quite reasonably have taken the view that Mr Adam had failed to establish any ground for thinking the sums claimed had not been incurred or were not reasonable, which would have left only the question whether any item of expenditure was outside the charging provisions."

Mr Gordon submitted the applicant had not met this threshold test.

18. Decision. The applicant does not dispute the hours worked by the security staff are reasonable. And he has not provided alternative estimates to show the hourly rates charged for their services are excessive. The tribunal agrees the applicant has not raised a *prima facie* case that security staff costs were not reasonable. It therefore

finds the costs of CCTV and security staff incurred during the 2021/22 service charge were reasonable incurred for the purposes of s.19(1)(a) LTA 1985.

Pest control

19. The applicant referred to costs of £1,610 for "Pest Control", which appeared in the 2021/22 Estate Service Charge accounts [**p.247**]. He argued that despite living at Avington House for five years, he had never seen any pest control being carried out. At the hearing he said he walked around the estate regularly and had seen mice. This charge should be removed and refunded.

20. The respondent argued that pest control was a standard part of estate management and that it was provided for in the Lease. As to the applicant's submissions, the applicant may not have observed pest management first hand, but that was not to say it was not carried out elsewhere on the estate.

21. Decision. The documents attached to the respondent's statement of case included an invoice for £396 from Ark Pest Control dated 20 January 2022 for "the next quarter of pest control service agreement". The invoice refers to 12 visits to the estate each year and the provision of "metal boxes" around the perimeter of a lawn area. The tribunal is satisfied from this invoice that during the 2021/22 service charge year the applicant had in place a pest control service agreement. The applicant has not raised even a *prima facie* case that the cost were not reasonably incurred under s.19(1)(a) LTA 1985. As to the standard of these services, it accepts there may not have been any physical evidence on the ground of a pest control service agreement and any rodent boxes around the perimeter of the lawn areas of the Estate may not have been obvious to residents at Avington House. The tribunal prefers the evidence based on the invoices that (1) contractors did visit the site and (2) that they provided rodent boxes. It finds the pest control services were provided to a reasonable standard under s.19(1)(b) LTA 1985.

Electricity

22. The applicant referred to costs of £2,132 for electricity costs which appeared in the 2021/22 Estate Service Charge accounts [**p.200**].

23. The applicant argued that lights in the common parts remained on continuously despite repeated requests for motion sensors or timers and that this inefficiency should be addressed. In oral argument, he explained there were approximately 12 lights in the common parts of the block. They were on light activated sensors, which meant that during the day they were not on, but that after 5pm they remained on constantly. The applicant suggested PIR movement sensors at night would produce a 50% saving, although he accepted there was no evidence to support this.

24. The respondent argued that electricity charges were subject to service provider rates. The applicant was raising a point of potential improvement works that would likely be subject to a s.20 LTA 1985 notice consultation. In closing, counsel submitted that the light activated units were one of a range of cost-effective responses to energy saving.

25. Decision. There is no quarrel with the standard of service provided, or indeed the level of the charges made by the electricity suppliers. The argument is simply that there was a cheaper option for lighting the common parts than a system which used simple light-activated sensors. There is no evidence, let alone expert evidence, to support the submission that an alternative system would deliver any appreciable savings. But in any event, the light-activated system adopted by the respondent was one of a range of reasonable responses available to a manager. In *LB Hounslow v Waaler*, [2017] EWCA Civ 45; [2017] H.L.R. 16, the Court of Appeal explained said at [37]:

> "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 a 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 outcome which was also reasonable."

In this case, the tribunal finds that the use of light-operated sensors was a course of action which led to a reasonable outcome. The applicant has not therefore established the energy costs were not reasonably incurred for the purposes of s.19(1)(a) LTA 1985.

Communal areas cleaning

26. The applicant challenged cleaning costs £4,086 which appeared in the 2021/22 Avington House service charge accounts [**p.200**]. The 2022/23 Avington House block service charge accounts included costs of £6,563.90 for cleaning [**p.238**]. The 2023/24 Avington House block service charge budget included estimated costs of £8,414 for block cleaning [**p.168**]. But this reduced to £5,250 for the 2024/25 service charge year.

27. The applicant's case was that the costs were excessive because cleaning of the common parts was minimal. At Avington House, the cleaning was limited to vacuuming and occasional mopping. He referred to photographs in the bundle taken in mid-2025 showing the ground floor lobby [**p.65-66**]. The applicant explained that the common areas comprised two staircase "cores", each with a tiled ground floor lobby, carpeted stairs to the two upper floors and carpeted landings on each floor. Cleaning would involve mopping the lobby and vacuuming 4 flights of stairs and 4 landings. The applicant submitted this ought to take 10 mins of mopping of each hallway, plus 45mins to vacuum the carpets on each staircase and landing = say 2hrs. If cleaned each working day, this would be 10hrs a week in total. The applicant apologised for not providing any alternative cleaning cost comparables.

28. The respondent argued that the cleaning was not limited to carpets and floors. There were also skirting boards, glass panels, cleaning of the car park area, etc. It was sheer speculation that the costs were excessive.

29. Decision. The tribunal finds the applicant has again failed to establish a *prima facie* case that the cleaning costs were not reasonably incurred in 2021/22 and 2022/23 or that the budgeted cleaning costs were more than reasonable in 2023/24. There were no alternative comparable quotations for cleaning the block. But even on the applicant's figures, cleaning the block would take 523 hours a year. If one assumes there were no costs incurred for cleaning materials, and applying the applicant's figures, a rough calculation suggests cleaning was provided at hourly rates of £7.81 (2021/22) and £12,55 (2022/23). Even though the costs rose sharply over this period, these hourly rates are not manifestly excessive for cleaning in London.

30. For 2023/24, the budgeted cleaning costs for Avington House costs rose sharply. A similar rough calculation suggests the budgeted amount was equivalent to an hourly rate of £16.09 in 2023/24, which again does not seem excessive in London. The budgeted cleaning costs fell significantly to £5,250 in 2024-25 **[p.322]**, which is below the cleaning costs actually incurred in 2022-23.

31. The tribunal finds the 2021/22 and 2022/23 cleaning costs were reasonably incurred for the purposes of s.19(1)(a) LTA 1985. As to the budgeted costs, the 2023/24 and 2024/25 Avington House cleaning costs were not unreasonable for the purposes of s.19(2) LTA 1985.

Fire door inspections

32. The applicant challenged a line item for £730 "Door & emergency system" which appears in the 2021/22 Avington House block service charge accounts **[p.200].** He referred to two sales invoices from FirstPort Property Services described as for "Fire Door inspection". The first is dated 25 April 2023 for £4,578.60 **[p.414]** and the second dated 18 July 2023 for £3,467.10 **[p.415].** Both were addressed to "Queen Mary's Place Estate Accounts". In his Reply, the applicant argued that the respondent had not provided any clear justification. All doors in the building were relatively new and seem to be compliant with fire safety standards. At the hearing,

he also argued it was not reasonable to incur the cost of 3-monthly fire safety inspections.

33. The respondent argued it must ensure all laws and regulations were complied with. This included having health and safety inspections and fire door inspections undertaken. Counsel also suggested at the hearing that quarterly fire door inspections were not unreasonable.

34. Decision. This point was not conspicuously well argued on either side. Quite apart from anything else, the two invoices both sides referred to were costs incurred in the 2022/23 service charge year. They cannot possibly therefore relate to the £730 line item in the 2021/22 accounts. But in any event, the argument is that inspections are unnecessary because the doors are too new to require regular inspection. That is simply wrong. Regular inspections for continued fire safety compliance is a routine and regular feature property management.

Balcony glass

35. The only challenge to recoverability under the terms of the Lease concerns the cost of balcony glass replacement. The applicant's Reply explained that the challenge related to three invoices rendered by contractors to the respondent for work to the glass balconies in the flats, namely invoices from OnCall Property Services Ltd dated 6 January 2023 (£312) and 31 March 2023 (£420) [**p.44 and 399**] and from Ascent Property Ltd dated 4 January 2023 (£1,014) [**p.49**]. It is clear they were included in the 2022/23 Avington House Block Service Charge, although it was not explained where they fell within the specific cost headings in the annual accounts.

36. The applicant's case was that under the lease (Schedules 2 and 3), balcony glass is the responsibility of the leaseholder. By Part 1 of Sch.3 to the Lease **[p.143]**,

> "Each Apartment shall comprise the tiling and floor coverings on the floors the windows window frames glass in the windows all doors doorframes plaster on the ceilings and walls and all Transmission Media or other conducting media and any installations of whatsoever kind solely serving the Property

but excepting the airspace and strata above and below the Property and those parts of the Main Structures which surround lie within and/or support the Apartment and the structural element of any balcony and in respect of those Apartments on the top floor of the Building the roof space directly above those Apartments"

The term "Main Structures" was in turn defined by Sch.2 as [**p.144**]:

"1. The exterior walls and the foundations roofs (and roof spaces above Apartments) and meter cupboards of the Building the internal load bearing walls and the floor and ceiling joists beams or slabs of all the Apartments including the surfacing structural element and ironwork of any balconies

2. The Common Parts and the windows window frames glass in the windows doors doorframes plaster on the ceilings and walls of the Common Parts and

3. The Transmission Media of every kind or other conducting media which is common to more than one Apartment and/or the Common Parts or exclusive to the Common Parts and

4. Any external lighting to any balcony but not the light bulbs therein (which shall be the responsibility of the Tenant to replace) where such balcony is for the exclusive use of an Apartment"

In essence, the applicant's case was that the glass panels were not a "structural element" or "ironwork of [the] balconies" in para 1 of Sch.2. Repairs to the panels were the responsibility of the individual leaseholders and the cost could not be included in the 2022/23 Block service charges.

37. The respondents' counsel argued that the balcony glass forms part of the structure and the landlord/manager repairing covenant. The structural element of any balcony is excluded from "the Property" and the definition of an apartment in Pt.1 of Sch.3 to the Lease. The structural element of any balcony is included in "the Main Structures" under Sch.2 to the Lease. It was well established that external windows and glass are part of the structure and exterior for the purposes of landlord repairing covenants: *Ball v Plummer* (1879) 23 SJ 656, CA. The glass served a purpose because it provided safety and kept out wind and rain.

38. The arguments on this point at the hearing were not particularly lengthy. But given the possible implications for management of the block (and possibly the Estate), the tribunal sets out its reasoning in greater detail.

39. Facts. As to the facts, the tribunal was not invited to inspect, but there were photographs with sufficient detail to enable it to reach a decision. One photograph **[p.64]** shows balconies at second and third floor levels. The lower balcony is supported by two square brick pillars which continue as far as the underside of the third-floor balcony above. Between the two pillars and between the pillars and the flank walls are concrete lintels at each level, which in turn support brickwork just below the surface of the balconies. However, the more significant features in this instance are the balcony railings. At second-floor level, the railings for each balcony are formed by three black metal units, which are bolted to the brickwork. Each composite unit incorporates a horizontal handrail welded to the top of a square or rectangular frame. The frames incorporate "X" shaped metal cross bracing with a circular decorative feature in the centre, and four brackets to receive glass panels. The upper balcony differs only in that instead of the brick pillars, the frames incorporate metal upstands. But in both cases, rectangular or square glass panels are mounted on the brackets of the metal frames.

40. Decision. This issue is essentially one of interpretation of the covenants in the flat leases, and in reaching its decision, the tribunal applies the well-known principles of interpretation of leases helpfully summarised by Lord Neuberger in *Arnold v Britton* [2015] UKSC 36, [2015] AC 1619 §15-23. For the purposes of this exercise, the tribunal notes that the lease plans show the balconies for each flat. The tribunal is therefore satisfied the parties to the Lease would have been aware of the balcony construction features at the date the lease was executed.

41. The critical words of para 1 of Sch.2 to the Lease are the reference to the "structural element … of any balconies". As to the meaning of "structure", counsel only cited one authority, namely *Ball v Plummer*. This is of little assistance, since it is a Victorian case about windows. More helpfully, in *Irvine v Moran* (1992) 24 H.L.R. 1,

Mr Recorder Thayne Forbes QC (sitting as a deputy judge of the Queen's Bench Division) made the following comment about the word "structure":

> "… the structure of the dwellinghouse consists of those elements of the overall dwelling house which give it its essential appearance, stability and shape. The expression does not extend to the many and various ways in which the dwellinghouse will be fitted out, equipped, decorated and generally made to be habitable. I am not persuaded by [counsel for the landlord] that one should limit the expression 'the structure of the dwellinghouse' to those aspects of the dwellinghouse which are load bearing in the sense that that sort of expression is used by professional consulting engineers and the like; but what I do feel is, as regards the words 'structure of the dwellinghouse', that in order to be part of the structure of the dwellinghouse a particular element must be a material or significant element in the overall construction."[1]

Although *Moran* related to the term "structure and exterior" s.11 LTA 1985, Lord Neuberger described this passage as a "good working definition [of the word "structure"] to bear in mind, albeit not one to apply slavishly": *Marlborough Park Services v Rowe* [2006] 2 E.G.L.R. 27 at [17].

42. The tribunal is an expert tribunal and applies that expertise to the nature of the balconies. It considers the glass panels are not essential to the appearance, stability or shape of the balconies:

(1) The black metal handrails and frames alone are sufficient to form railings for the balconies. In particular, the "X" shaped braces provide the most important function of a balcony railing, namely preventing adults from falling outwards (although it is possible a small child might be able to fall between the metal bars).

(2) The frames also provide the distinctive appearance and shape of the balconies.

[1] This passage was approved of as a "good working definition" by Neuberger LJ in *Marlborough Park Services v Rowe* [2006] 2 E.G.L.R. 27.

(3) It is also relevant that the frames incorporate supports for the glass panels, rather than the glass panels being integral to the units.

(4) The glass panels do affect the appearance of the balconies. But they are not "essential" to that appearance.

43. The tribunal considers the primary function of the balcony glass is to give limited protection against the elements, whilst allowing more light into the flats and giving a slightly better view from inside. The tribunal ultimately concludes the primary function of the glass is decorative and not "structural" in the ordinary sense of the word. The panels are not therefore a "structural element … of any the balconies" within the meaning of para 1 of Sch.2 to the Lease.

44. This interpretation is supported by other words in para 1 of Sch.2. The words which immediately precede and follow the term "structural element" in para 1 of Sch.2 refer to the "surfacing" and "ironwork" of the balconies. These show that the draftsman was well aware of the main construction elements of the balconies and consciously chose not to refer to the glass panels. The interpretation is also supported by paras 2 and 4 of Sch.2 to the Lease. Para 2 of Sch.2 shows that where the parties intended to refer to "glass" elements of the building, they expressly did so. Para 4 reinforces the point that the parties were aware of detailed elements of the balconies such as lighting and light bulbs. But they again chose not to mention the rather more significant glass panels on the balconies.

45. The tribunal's interpretation also fits with the overall purpose of Sch.2 and 3, which is to allocate parts of the building to each party. In particular, the Lease allocates the Common Parts including the "glass in the windows" to the landlord by para 2 of Sch.2. By contrast, Sch.3 allocates the flat and the balconies together with the glass in the windows to the flat to the lessee. Since the balconies form part of the demise (save as expressly excepted), it seems consistent with this that the glass in the balconies is also allocated to the tenant.

46. The tribunal recognises commercial common sense might point to an intention that the glass panels should be managed and replaced by the respondent. This

might be more convenient to preserve the external appearance of the block, and to enable the metal frames and glass mounted on them as a single unit for maintenance purposes. Commercial common sense cannot of course re-write the bargain between the parties: *Arnold v Britten* §20. But in any event, the tribunal considers these possible problems are properly managed by the tenant's repairing covenant at para 20 of Sch.1 to the Lease, by the '*Jarvis v Harris* clause' at para 23 of Sch.1 and by the express covenant against alterations to balconies at para 32 of Sch.1. The respondent retains control over any work and can force the leaseholders to repair the glass as and when necessary. The tribunal's interpretation cannot therefore be said to make no commercial sense or to lead to absurdities.

47. In short, the tribunal agrees with the applicant's interpretation of para 1 of Sch.1, albeit that the above reasons are rather more detailed than the submissions made at the hearing. The three items of cost of work to the glass panels referred to above (£312, £420 and £1,014) should not form part of the 2022/23 Block Service Charge. Applying the apportionment of 3.8949% set out above, the applicant's 2022/23 block service charges should be reduced by £68.

"PHD Invoices"

48. This issue involved the following invoices for work carried out by PHD Mechanical during the 2023/24 service charge year:

- 23.09.22 INV-14229 £425.38 **[p.397]**
- 16.01.23 INV-16873 £288 **[p.45]**
- 17.01. 23 INV-16879 £1.200 **[p.403]**
- 27.02.23 INV-18216 £587.21 **[p.405]**
- 17.05.23 INV/20189 £803.15 **[p.413]**
- 31.05.23 INV/20457 £1,202.10 **[p.406]**
- 29.06.23 INV/21040 £978 **[p.408]**

49. The applicant's case was that these charges were essentially for the same issue with a faulty pump. The previous manager had confirmed the pump should be

replaced and paid for from reserve funds, yet this was not done. The work extended over a 9-month period, even when the work was classified as 'emergency repairs.' The excessive costs accumulated over that time is unreasonable and should not be covered by the applicant or other leaseholders in the building. At the hearing, the applicant explained that the costs were unreasonably incurred because rather than spending regular amounts of money meeting breakdowns as they occurred, the respondent should have carried out capital work to replace the pump and met that cost from reserve funds.

50. The respondent submitted that the wording of the invoices showed they related to a variety of work to an underground water tank, pumps and valves. For example, the May 2023 invoices related to cleaning the tank, and the January 2023 issue related to a call-out following a report that Avington House had no water. The pump was replaced and the invoice on 29 June 2023 was for this work. Any previous work to the pump was a "patch repair" which was a reasonable response to problems to mechanical breakdowns.

51. Decision. These invoices relate to work which properly fell with the respondent's repairing obligations and the costs of which could be passed onto the leaseholders through their service charges. There is nothing on the face of the invoices to suggest the work was not undertaken. There is no comparable evidence to show the work could have been procured at lower cost - although the applicant suggested, without providing evidence, that a pump could be bought for £90-£200 and fitted for £60-£180.

52. A landlord or management company acts reasonably for the purposes of s.19 LTA 1985 if it acts on the advice of specialist contractors, even if that advice is incorrect: *Assethold Ltd v Alexandra Adam and others* [2022] UKUT 282 (LC); [2023] H.L.R. 8. In this case, the contractors advised the repairs set out in the invoices, and it is hard to see why the respondent should overrule them. But in any event, it is sheer speculation that a 'stitch in time [might have] saved nine'. Although the applicant says (with the benefit of hindsight) the pump should

have been replaced earlier, there is no evidence to suggest this was apparent at the time the bulk of the repair costs were incurred. Section 19(1)(a) LTA 1985 is tested at the date the costs were incurred, not with the benefit of hindsight.

53. The PHD engineering costs were therefore reasonably incurred for the purposes of s.19(1) LTA 1985.

Reserve Funds

26. Since at least 2021/22 the block service charges had included a contribution of £7,407 to as a "renewals sinking fund" of a "contribution to reserve" **[p.200] [p.238]**. However, in 2023/24, this was increased to £24,919 **[p.323]**. The increase first took effect as part of the budget for that service charge year. But since the increased figure of £24,919 also appears in the end of year service charge accounts, the reserve fund contributions fall to be considered as part of the 2023/24 'end of year' service charges.

54. The applicant suggested a threefold increase in contributions to block reserves was unjustified. A detailed maintenance plan and justification was required. In his Reply §26/28 **[p.37]**, the applicant accepted a reserve fund was necessary, but the correct procedure had not been followed. The respondent should identify the particular works involved, and if necessary, consult under s.20 LTA 1985. In oral argument, the applicant suggested that since the block was only 14 years old, it did not need such high contributions. Mr Tamer's witness statement also raised specific issues with the threefold increase to the Avington House reserve fund, which was based on "unjustified projects".

55. The respondent submitted that under para 11 of Pt.1 of Sch.4 to the Lease the respondent had an obligation to create "such reserves as [it] may deem prudent from time to time". Its statement of case suggested the reserve policy was set by the respondent as part of the CAPEX plan for the site. The 2025 budget covering letter **[p.177]** explained the reason for increasing the reserve for 2023/24:

> "While reserve allocations for most schedules have been reduced, two

> blocks—Avington House 1/25 and Gillis Square Flats 11/29—have seen necessary increases due to planned remedial works over the next five years. These works will cover essential balcony repairs, external maintenance, etc. This proactive approach ensures we are financially prepared to maintain the estate at the high standards you expect.

This information was repeated to the applicant in an email from a Development Manager at FirstPort dated 24 October 2024 **[p.392]**:

> "We are anticipating approximately £100,000 to £130,000 worth of works over the next five years as an estimate, These projected costs include repairs and maintenance for areas such as the balconies, externals, internals, potential pump replacements, and roof repairs, among others. The increase in reserves is to ensure we have the necessary funds to cover these future requirements.
>
> As for the increase in reserves for Avington House, as we discussed in our Teams call, this is part of our long-term maintenance plan. I was hoping to explain this in person to you and any other residents who may have concerns. I've put in extensive work to develop this long-term plan, and I'm happy to discuss it further if you'd Like. Some of these details were also provided to you in the covering letter for the budget when it was issued."

56. Decision. Although for smaller developments, it might be reasonable to estimate contributions to reserves without any kind of long-term maintenance plan, this is certainly considered best practice by the management profession. Para 7.5 of the RICS Residential Service Charge Management Code (3rd Ed) states:

> "You should also recommend your clients to have a costed, long-term maintenance plan that reflects stock condition information and projected income streams. This should be made available to all leaseholders on request and any potential purchasers upon resale.
>
> The level of contributions for simple schemes should be assessed with reference to the age and condition of the building and likely future cost estimates. On more complicated developments, the assessment should reference a

comprehensive stock condition survey and a life-cycle costing exercise, both undertaken by appropriate professionals.

The usual method of working out how much money is to go into the fund each year, assuming the lease/tenancy agreement does not make any other provision, is to take the expected cost of future works, including an allowance for VAT and fees, and divide it by the number of years which may be expected to pass before it is incurred. The level of contributions should be reviewed annually, as part of the budget process, and the underlying survey information should be reviewed at appropriate intervals. This will vary for each scheme depending on complexity, age, condition and the relative size of funds held."

57. In this case, the respondent has not provided a copy of any costed, long-term maintenance plan. But the tribunal finds, on the evidence of the email of 24 October 2024, that the managing agents did prepare a five-year plan before they advised an increase in the 2023 reserve fund contributions. Once again, the applicant has not provided any evidence of his own that the costs over the five-year period would have been significantly less than the agents provided for. Indeed, it is not all that surprising that the reserve fund contributions had to be increased significantly. It is common ground there had been a long-term freeze on reserve fund contributions in place before 2023/24 – and the accounts showed significant calls on the reserve fund for Avington House in both 2021/22 and 2022/23 **[p.241]** and **[221]**.

58. In the circumstances, the reserve fund element of the 2023/24 block service charges was reasonably incurred under LTA 1985 s.19(1)(a).

Costs: s.20C LTA 1985 and para 5A Sch.11 CALRA 2002

59. The applicant ticked both boxes on the application form indicating that he wished to seek orders under s.20C LTA 1985 and para 5A of Sch.11 to the Commonhold and Leasehold Reform Act 2002.

60. The case law and principles are summarised in *Conway v Jam Factory* [2013] UKUT 0592 (LC) at [51] to [58] In *Schilling v Canary Riverside Development PTE Limited* LRX/26, HHJ Rich stated at [14] that:

> "In service charge cases, the "outcome" cannot be measured merely by whether the applicant has succeeded in obtaining a reduction. That would be to make an Order "follow the event". Weight should be given rather to the degree of success, that is the proportionality between the complaints and the Determination, and to the proportionality of the complaint, that is between any reduction achieved and the total of service charges on the one hand and the costs of the dispute on the other hand."

61. In this instance, the applicant has succeeded on one issue out of nine. The balcony glass relates to one year out of several years challenged. The applicant has achieved a reduction of £68, which is relatively minor when compared to the totality of the charges. Then proportionality consideration in *Schilling* points to no order being made under s.20C or para 5A. The tribunal also notes the difficulties with the hearing bundle, which were ultimately the responsibility of the applicant. The tribunal declines to make orders limiting the recovery of costs under s.20C LTA 1985 or para 5A of Sch.11 to the 2002 Act.

Conclusion

62. The tribunal determines that the applicant is not liable to pay the sum of £68 included in the 2022/23 block service charges for balcony glass works. Save for that item, the application is dismissed. The tribunal also declines to make any orders under s.20C LTA 1985 or para 5A of Sch.11 to the 2002 Act.

Judge Mark Loveday

22 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 rpsouthern@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.