FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**CAM/22UG/LSC/2025/0660**
Property	**:**	**Stopes House/Arch House Eaglegate, East Hill Colchester CO1 2PS/2PS**
Applicants	**:**	**1. Theodosis Dimitrakos (Flat 4) 2. Neil Andrew Cowell & Jane Helen Cowell (5) 3. Kirsty Wright (6) 4. Steven Paul Bentley (7) 5. Rebeca-Katheryn Zavoianu (8) 6. Daniel Matthew Morris & Rebecca Danielle Bright (10) 7. Rachel Margaret Curtis (11)**
Representative	**:**	**Philip Bazin**
Respondent	**:**	**Assethold Limited**
Representative	**:**	**Ronni Gurvits, Eagerstates Limited**
Type of application	**:**	**Payability of service charges and administration charges**
Tribunal	**:**	**Judge David Wyatt**
Date	**:**	**30 October 2025**

DECISION

Decision

(1) The service charges demanded from each Applicant in connection with "*lift works*", as described below (£13,691.91 was sought in the sample demand provided), are not payable.

(2) The administration charges sought from each Applicant for non-payment of those service charges are not payable.

(3) Any costs incurred by the Respondent in connection with these tribunal 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 Applicants.

(4) No particular administration charge has been proposed in respect of the costs of these tribunal proceedings, so no order is made in this respect.

(5) By **14 November 2025** the Respondent must pay £114 to the Applicants to reimburse the tribunal application fee paid by them.

Reasons

1. This application was made by the leaseholders of seven of the 16 flats at the Property. They applied under section 27A of the Landlord and Tenant Act 1985 (the "**1985 Act**") to determine payability of disputed service charges and under paragraph 5 of Schedule 11 of the Commonhold and Leasehold Reform Act 2002 (the "**2002 Act**" to determine payability of disputed administration charges. They also sought an order under section 20C of the 1985 Act and an order under paragraph 5A of Schedule 11 to the 2002 Act.

2. The case disputes service charges sought in demands made in late 2024 and early 2025 for proposed replacement of an Otis lift. It also concerns administration charges (~£1,600 was given as an example) said to have been demanded from the leaseholders for non-payment of those service charges.

3. The Property was described as a converted building. It appears to have three or in part four storeys. The Applicants said that the lift serves nine flats (the Applicants' flats, Flat 3 and Flat 9). The leases noted on the freehold title were all granted during or after 2004. The Respondent landlord acquired the freehold title on 13 March 2013 and was registered as proprietor later that year. Their managing agents are Eagerstates Limited.

4. The Applicants indicate that the same service charge amount was sought from each leaseholder. In the sample demand provided, service charges of £13,691.91 had been sought, approximately one ninth of total estimated costs of £123,239.50, said in the demand correspondence from Eagerstates Limited to be composed of:

    a. £111,460 "*Classic Lift Estimate*";

    b. £8,190 "*Lift consultancy fees*"; and

    c. £3,589.50 "*Management Fee*".

5. In their application documents, the Applicants said that:

a. the no-fault right to manage ("**RTM**") had been claimed by notice dated 5 March 2024 and initially disputed. After application to the tribunal in May 2024, the right to manage was acquired under section 90 of the 2002 Act following the Respondent's agreement on 31 March 2025 that the relevant RTM company had in March 2024 been entitled to acquire the right to manage the Property. 31 March 2025 was the extended deadline, given as an unless order in the relevant tribunal proceedings, for case documents and expert evidence explaining why the Respondent had alleged: (i) the Property did not qualify; and (ii) notice of intention to participate had not been given to anyone required to be given such notice;

b. the lift had been regularly serviced and was in working order, but the respondent had for unexplained reasons commissioned a "*lift condition report*" dated 25 September 2024 (apparently, the date the lift consultants inspected). That report said the lift had been manufactured and installed in 1988. It described some aspects of the lift performance as poor, saying "*The overall condition of the equipment can be classed as poor with nearly all of the components dating back to the original installation*". It estimated costs of £75,000 for replacement or full modernisation but, the Applicants said, did not justify immediate replacement; and

c. the Respondent did not comply with the consultation requirements under section 20 of the 1985 Act. Amongst other things, it was alleged that they had failed to have regard to observations made by the leaseholders, including observations that it was not reasonable to procure such works at that time and the lift was unnecessary.

6. On 14 August 2025, the tribunal gave case management directions which recited the matters noted above. The directions highlighted the apparent issues, including those of:

a. whether the disputed charges were payable under the terms of the lease(s), which appeared only to provide for all reasonable endeavours in relation to the lift;

b. whether the relevant costs/charges were reasonable, or reasonably incurred, when the RTM proceedings were pending; and

c. whether an order under section 20C and/or paragraph 5A and/or for reimbursement of application/hearing fees should be made.

7. The Respondent was directed to by 3 September 2025 send to the Applicants:

a. "*a **statement of case** responding to each of the issues identified above, identifying the relevant service charge and administration charge provisions in the leases and setting out all matters relied upon in relation to the service charges and administration charges sought;*

b. *a copy of their instructions to the lift consultants which resulted in the report dated September 2024;*

c. *copies of all relevant demands and at least sample consultation notices relied upon in relation to the disputed costs;*

d. *copies of the specification and all quotations and invoices relied upon in relation to the lift works and lift consultancy costs, including evidence of when the respondent ordered or entered into any relevant contract in respect of the lift works;*

e. *full details of all services provided for the management fee claimed in relation to the lift works, with copies of the relevant quotation/agreement and invoice(s); and*

f. *any other information or explanation which can readily be provided to answer the relevant issues and/or narrow the issues, including a copy of the relevant quotation(s)*".

8. The directions warned that if the Respondent failed to comply the tribunal could without further warning bar them from further participation and determine summarily that none of the disputed charges are payable.

9. On 4 September 2025, the Applicants applied for a barring order and determination. They said the Respondent had provided nothing and said the relevant works were never contracted. They said the claimed lift company, Classic Lifts, had confirmed that the tender process from 2024 had "*never been followed up, nor have we had any notification of a success. It's also now an out of date quote … therefore the offer is invalid*."

10. On 8 September 2025, the Respondent then sent to the Applicants:

a. a very brief unsigned document stating: "*The Lease clearly sets out that these charges are payable and that there is a requirement to pay and maintain the lift*", that this "*commenced prior to the RTM issue arising and the landlord was simply dealing with maintaining the lift*" and "*A full consultation was carried out. The Applicants case that there was a need to consult on professional fees or on the surveyors fees is wrong. Only the works themselves are subject to consultation and these were consulted on. In fact, the Applicants submitted nominations for these works*."

b. copies of a letter dated 18 September 2024 from Eagerstates saying they had "*been recommended to carry out a full survey of the lifts, whilst looking into refurbishment and upgrades*", the lift condition report dated 25 September 2024 provided with the application, a specification dated 22 October 2024 for a new lift, an invitation to tender letter dated 28 October 2024, a notice of intention dated 29 October 2024 to carry out "*lift works*", a tender evaluation report dated 26 November 2024 (which said it

preferred the lowest total quotation of £111,460 from "*Classic Lifts*" compared to £129,975 from "*Lift Specialists*", subject to clarification of a specific costs risk) and a statement of estimates dated 19 December 2024 suggesting that "*Blueridge & Easi Repair*" had been selected but also saying that they would "*…be proceeding with Classic Lifts as this is the recommendation in the tender document*".

11. On 9 September 2025, the Applicants sent a reply. They observed that the right to manage had been acquired and no real answer had been given to the basic issues raised. Despite this, they said, recovery letters dated 23 April 2025 had been sent to leaseholders threatening forfeiture, debt recovery agents had been instructed, and after this application had been made to the tribunal (in early May 2025) the Respondent had (in late May 2025) issued proceedings in the County Court against the leaseholders of at least two of the flats.

12. On 4 October 2025, the Applicants again applied to the tribunal for a barring order and determination, since nothing further had been provided. On 10 October 2025, the Applicants were directed to provide further information, and the Respondent was directed to send any response to the application by 15 October 2025 setting out all matters relied upon. I understand there was no response from the Respondent.

13. The file was then given to me for review. On 16 October 2025, this decision was prepared in draft, on a preliminary basis, and sent to the parties. I directed that any representations, any dispute about anything in the draft decision and any corrections must be sent by no later than 27 October 2025 as specified in the directions, and after that date I would make my final decision on paper, without a hearing, or give further directions.

14. I understand there has still been no response from the Respondent. Accordingly, I take it that the contents of the draft decision are not disputed and this is my final decision.

Conclusion

15. I am satisfied that I should bar the Respondent from further participation in these proceedings under rule 9(3)(a) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (the "**Rules**") and summarily determine all issues against the Respondent under rule 9(8).

16. The Respondent failed to comply with paragraph 4 of the directions given on 14 August 2025. They responded late, making no application for an extension of time and giving no reasons. They have failed to identify the relevant service charge and administration charge provisions in the leases. Moreover, the Respondent has still:

    a. failed to give any reason why it might have been reasonable to incur substantial lift consultancy or works management fees from September 2024, let alone costs for replacement of the lift, when:

i. the Respondent had owned the Property and only serviced the lift for more than 11 years; and

ii. the right to manage claim had been made in March 2024 and the tribunal proceedings to determine entitlement to the right to manage began in May 2024;

b. failed to provide a copy of their instructions to the lift consultants which resulted in the report dated September 2024 or explain what their instructions were; and

c. failed to provide any evidence of entry into any relevant contract, or any details of any services said to have been provided, or copies of any invoices in relation to any of the sums claimed; and

d. failed to produce the demands relied upon.

Nor has the Respondent disputed the Applicants' assertion that Classic Lifts say their estimate was not accepted and is now invalid.

17. Accordingly, I determine summarily that the relevant service charges are not payable. If more detail is needed, I determine that they are not payable by reason of section 19 of the 1985 Act, aside from any other grounds. If and to the extent the demand is for service charges towards fees paid to or claimed by the lift consultants or the managing agents, in the circumstances noted above those costs were not reasonably incurred. To the extent they are seeking service charges for estimated costs, they are not reasonable.

18. I determine summarily that no administration charges are payable for non-payment of those service charges. Again, if more detail is needed, I determine that they are not payable under the terms of the leases (the Respondent failed to comply with the direction requiring it to identify any administration charge provisions relied upon) and/or by reason of paragraph 2 of Schedule 11 to the 2002 Act (in the circumstances noted above, no such charges would be reasonable).

19. I make an order under section 20C of the 1985 Act in respect of all costs incurred in relation to these proceedings. If more detail is needed, I determine that it is just and equitable to make this order on the basis that: (a) the Respondent failed to comply with the direction requiring it to identify any service charge provisions relied upon, so I assume the costs would not be payable under the terms of the leases; and/or (b) the Respondent had been directed to respond to the issue of whether such an order should be made but failed to do so.

20. I do not make an order under paragraph 5A of Schedule 11 to the 2002 Act because no particular administration charge in relation to the costs of these tribunal proceedings has been identified. This decision does not preclude a new application under paragraph 5A if any such administration charge is sought.

21. Similarly, I order the Respondent to reimburse the tribunal application fee paid by the Applicants. Again, the Respondent has failed to respond to this issue. They also appear to have used pre-action correspondence seeking to extract substantial unreasonable sums from leaseholders at a time when the right to manage claim was well advanced and had already been with the tribunal for several months. In any event, they have given no real explanation in relation to the key matters noted above, failing to comply with the directions, so have been unsuccessful. Since no hearing has been necessary, there is no hearing fee to reimburse.

Judge David Wyatt **30 October 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).