



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

Case Reference : **MAN/ooCX/LSC/2024/0244**

Property : **49 Bridge Street, Silsden, West Yorkshire,
BD20 9PA (also known as 11 A, B & C Bolton
Road, Silsden)**

Applicant : **Maria Culley**

Respondent : **Thomas Elsworth Apartments Limited**

Type of Application : **Landlord and Tenant Act 1985 – S27A
Landlord and Tenant Act 1985 – Section 20C
Commonhold and Leasehold Reform Act
2002 – Schedule 11, Paragraph 5A**

Tribunal Members : **Judge R Anderson
Mr Neil Swain**

Date of Hearing: **16 July 2025**

Date of Decision : **18 September 2025**

DECISION

DECISION:

1. The Tribunal found that:
 - the Respondent was entitled to recover the amount of the service charge as claimed;
 - the Respondent was not able to demand monthly payments and could only demand payments in accordance with the lease;
 - any unpaid charges to date can be recovered;
 - the Respondent may not recover any costs of these proceedings through the service charge

INTRODUCTION

2. This is a judgement following a Tribunal hearing which took place by video link on the 16 July 2025. At the hearing were the Applicant in person and the Respondent was represented by Nick Jarvis a director of the Respondent. Prior to the hearing the Tribunal had the benefit of an external inspection of the property.
3. The Tribunal has received an application for a determination as to whether service charges in respect of the property are payable and/or reasonable. The application relates to the service charge years 2018, 2019, 2020, 2021, 2022, 2023 and 2024.
4. An application has also been received for an order preventing the costs incurred in connection with these proceedings from being recovered as part of the service charge.
5. In addition, an application has been received for an order reducing or extinguishing the Applicant's liability to pay a particular administration charge in respect of costs incurred in connection with these proceedings.
6. Since the Applicant made the above applications, the Respondent commenced a separate and parallel claim in the County Court (claim no.626MC476) for payment of the service charge arrears which are disputed in these proceedings
7. The matter was listed for site inspection to be followed by a remote hearing at a case management hearing before Judge McLean on 3 April 2025.
8. Unfortunately, the parties were not able to agree bundles but the administrative team in the Tribunal office prepared composite bundles which contained both parties statements of case, the lease, pleadings in the County Couter matter and the evidence submitted by both parties. The Tribunal wish to record it's gratitude to the administrative staff for their efforts in this regard.

KEY FACTS

9. The Applicant is the long leaseholder of 49 Bridge Street, Silsden West Yorkshire, BD20 9PA.
10. The Applicant is one of 4 leaseholders in a larger property. The property is somewhat atypical; it is an end terrace house which has been divided into 4 flats. The majority of the property fronts onto Bolton Road. Looking from Bolton Road, the Applicant's property would be the basement flat, there is no way of accessing the Applicant's flat from Bolton Road, it is only

accessible from Bridge Street (which is lower than Bolton Road), thus the different address. Flats A and B Bolton Road are on the first floor of the property and Flat C is on the ground floor.

11. The Respondent is a limited company which owns the freehold of the property. Each of the 4 leaseholders including the Applicant are shareholders in the Respondent company.
12. The occupation is governed by a lease dated 17th October 1990 between the Respondent on the one part and Phillip Elsworth Properties on the other part for a term of 999 years from 20 April 1990 ("the Lease")
13. The pertinent terms of the lease are as follows:

- a) Clause 3 (2) of the Lease creates an obligation to pay one fourth of the costs and obligations set out in Schedule 8
- b) Schedule 8 sets out the items which the Lessor is entitled to charge the Lessee.

THE LAW

14. The relevant legislation is contained in s27A Landlord and Tenant Act 1985 which reads as follows:

s27A Liability to payable service charges: jurisdiction

(1) An application may be made to a leasehold valuation 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 a leasehold valuation 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.

(6)An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—

- (a)in a particular manner, or
- (b)on particular evidence, of any question which may be the subject of an application under subsection (1) or (3).

(7)The jurisdiction conferred on a leasehold valuation tribunal in respect of any matter by virtue of this section is in addition to any jurisdiction of a court in respect of the matter.

SUBMISSIONS

15. At the hearing the Applicant confirmed that she did not wish to challenge the recoverability of any of the service charges prior to 2024.

16. She did however wish to maintain her challenge to the charges for 2024 on the following grounds which are set out on her statement of case:

- a) The method of service charge demands does not comply with leasehold requirements as no name and property address were included up until the instigation of court proceedings;
- b) There was no clause in the lease to allow for the service charge to be paid monthly rather than twice yearly;
- c) It was agreed in 2014 that the service charge should increase to £600 a year;
- d) The communal areas are only 2 metres x 1.5 metres this does not justify the new charge of £4800 (£1200 per flat);
- e) She has not been provided with copies of accounts showing income and expenditure and they have not been submitted to Companies House;

- f) There have not been Annual General Meetings held to approves previous minutes, previous accounts, approve service budget and appoint auditors.
- g) She is concerned that the Respondent company at Companies House shows no income and would prefer a professional management company to be appointed;
- h) She has not been provided with a breakdown of the expenditure of £1200.
- i) Additionally, her application form contains a request for an order that the Respondent be barred from adding the costs of these proceedings to the service charge.

17. In her oral submissions the Applicant amplified the points raised above particularly focusing on the informal manner in which charges were demanded, and the property was managed. She particularly also emphasised that there was no basis within the lease to change from a twice-yearly payment to a monthly payment.

18. When asked by the Tribunal she did accept that the Respondent had responsibility for the roof and structure of the property which were common parts for which the Respondent was entitled to a contribution from the leaseholders.

19. In response to the issues raised by the Applicant the Mr Jarvis made the following submissions:

- This is a small property run on an informal basis and he Mr Jarvis manages the company at no cost and he has to pay any service charge as well;
- The Applicant had not had a problem paying the service charge on the basis of a WhatsApp request until this year;
- The Applicant had been a director of the Respondent company but resigned in order to bring these proceedings;
- There had been no increase in the service charge for 10 years and the costs of repairs and insurance had increased;
- The previous level of charge had not allowed for the build up of a sinking fund and this meant that all leaseholders had to pay £2000.00 each to cover the repairs of the roof and he wished to avoid this in the future;
- There were a number of improvements to the fire alarm system and the roof which could be anticipated in the next few years;
- All the other Leaseholders were happy to pay £100 a month.

THE DETERMINATION

20. Taking each of the issues raised by the Applicant in turn the Tribunal made the following determination:

- a) *The method of service charge demands does not comply with leasehold requirements as no name and property address were included up until the instigation of court proceedings;*

The Tribunal determined that even it were the case that a compliant written demand had not been provided this would not amount to permanent defence and the position could always be remedied by the provision of a compliant written demand as had been the case in this matter and the Tribunal were satisfied that this was a reason for the 2024 charge to not be paid.

- b) *There was no clause in the lease to allow for the service charge to be paid monthly rather than twice yearly;*

The Tribunal agreed with the Applicant that under the lease the Respondent could not insist on demanding monthly payments. This did not prevent the Respondent from entering into informal arrangements with other leaseholders but if the Applicant insisted on paying twice yearly then the Respondent could not unilaterally vary payment terms.

- c) *It was agreed in 2014 that the service charge should increase to £600 a year;*

This was not disputed by the Respondent but was not a reason why the Respondent could not increase the charge to £1200 in 2025.

- d) *The communal areas are only 2 metres x 1.5 metres this does not justify the new charge of £4800 (£1200 per flat);*

The Applicant accepted in the hearing that the Respondent was also responsible for the structure of the building and the roof so this was not a valid reason to oppose the level of service charge.

- e) *She has not been provided with copies of accounts showing income and expenditure and they have not been submitted to Companies House;*

The relevant accounts and companies house submissions were all available in the bundle. The Tribunal understood that Mr Jarvis had withheld this

information from the Applicant when payments were not made. The Tribunal observes that is not appropriate to withhold this information from Leaseholders. However, given that this issue has now been remedied it is not a valid reason for the Applicant not to pay the 2024 service charge.

f) There have not been Annual General Meetings held to approves previous minutes, previous accounts, approve service budget and appoint auditors.

There is no legal requirement to hold an AGM in order for the service charge to be payable so that is not a reason to not pay the £1200 for 2024.

g) She is concerned that the Respondent company at Companies House shows no income and would prefer a professional management company to be appointed;

Technically, the money held by the Respondent company is held for the benefit of the leaseholders so it is not company income and should not be reported to Companies House as such. There is no requirement to have a management company and indeed the cost of employing a management company would significantly increase the costs to each of the leaseholder. Accordingly, this was not a valid reason not to pay the £1200 for 2024.

h) She has not been provided with a breakdown of the expenditure of £1200.
The breakdown was available in the bundle, again, The Tribunal understood that Mr Jarvis had withheld this information from the Applicant when payments were not made. The Tribunal observes that is not appropriate to withhold this information from Leaseholders. However, given that this issue has now been remedied it is not a valid reason for the Applicant not to pay the 2024 service charge. The Tribunal also observed that the nature of this service charge was that it was a estimate of charges to be incurred so that all that was required was that it was a genuine pre-estimate.

i) request for an order that the Respondent be barred from adding the costs of these proceedings to the service charge.

The Tribunal considered that as the Applicant has been partially successful in that she was correct that the Respondent had no right to demand monthly payments then it was appropriate for an order that there the Respondent may not recover the costs of these proceedings through the service charge,

CONCLUSION

21. The service charge of £1200 was payable by the Applicant but the Respondent had no right to demand it as a monthly payment and should have demanded it in twice yearly installments as per lease but this would not prevent the Respondent from recovering it.

Judge Anderson
18 September 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 should be made on Form RP PTA available at:

<https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber>

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).