FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00AY/LSC/2025/0922**
Property	**:**	**Flat 4, 38 Oakdale Road, London SW16 2HL**
Applicant	**:**	**38 Oakdale Road Management Ltd**
Representative	**:**	**In person**
Respondent	**:**	**Robert Martin Adam Blayney**
Representative	**:**	**In person**
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 Stewart, Judge Vance and Mr Duncan Jagger MRICS**
Date and venue of hearing	**:**	**15 January 2026 at 10 Alfred Place, London WC1E 7LR**
Date of decision	**:**	**22 January 2026**

DECISION

Decisions of the tribunal

The tribunal makes the determinations as set out under the various headings in this Decision.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to whether service charges including the costs of major works are payable by the Respondent in respect of actual costs incurred for the service charge years ending 31 December 2023 and 2024 and the budgeted amount for the 2025 service charge year.

2. 38 Oakdale Road ("the Building") is a semi-detached 3 storey Victorian building comprising 4 converted flats. The Respondent's flat is Flat 4 which is on the 2nd floor. His lease was originally dated 22 October 1997 and was granted for a term of 99 years from 24 June 1997. It appears from the Applicant's Bundle [**137**] that there was a surrender and regrant of the lease which amended the term to 189 years from 24 June 1997, but we have only been provided with an undated copy. The Respondent rents out his flat.

3. The Applicant, 38 Oakdale Road Management Ltd ("Oakdale") owns the freehold of the Building. The shares in Oakdale are held by the owners of Flats 1, 2 and 3. Flat 1 is owned and occupied by Stephanie Parker and Edward Holman. Ms Parker is a director of Oakdale and Mr Holman draws up the accounts for Oakdale and organises their filing with Companies House. Flat 2 is owned by Nathan Rice who rents it to a tenant. He is also a director of Oakdale. Flat 3 is owned and occupied by Lewis and Natalie Wallace Murphy. Mr Murphy is a director of Oakdale.

4. The application was issued by the Applicant on 24 June 2025. On 30 July 2025 the tribunal issued directions ("the Directions") which set out the process for disclosure of documents and the exchange of statements of case. In particular, the Directions required the Respondent, by 24 October 2025, to set out in a schedule for each service charge year:

    - The item and amount in dispute;
    - The reasons why the amount is disputed;
    - The amount, if any, he considers should be paid for that item; and
    - All documents upon which he intends to rely.

5. The Respondent did not engage with these Directions and, instead, provided a document dated 21 October 2025 entitled 'Respondent's

Statement of Case' with exhibited documents which did not address the heads of expenditure of the service charges in a structured way.

6. The Directions provided for the hearing bundle to be in PDF form. The Respondent did not object to this on receipt of the Directions. The Applicant sent their bundle to the tribunal on 5 December in accordance with the Directions, although the tribunal did not receive it and it was subsequently resent on 8 January 2026.

7. On 12 January 2026 the Respondent wrote to the tribunal and the Applicant asking for all documentation to be provided by post in a physical hard copy. This was 3 days before the hearing. On 14 January the Respondent wrote again to the tribunal stating that the Applicant had refused to comply with his request for physical copy documentation. He went on to say that it was his understanding that the Tribunal had accepted that he would be significantly disadvantaged by not receiving documents in hard copy. He asked if the hearing would be postponed.

8. Judge Vance responded to the Respondent the same day and confirmed that the hearing was going ahead but that the Respondent could make an application for a postponement orally at the start of the hearing.

The hearing

9. The Applicant was represented by Stephanie Parker, Edward Holman, Lewis Murphy and Natalie Wallace Murphy at the hearing on 15 January 2026. The Respondent appeared in person.

10. The Respondent did not make an application for a postponement at the beginning of the hearing but did reiterate his need for a paper bundle. When questioned by the tribunal if there were medical or other reasons why he needed a hard copy the Respondent said no, but that it was a question of his competence in using with large documents on a computer. He also confirmed that he was a property professional with a portfolio of 100 properties. From his correspondence with the tribunal it is clear that he is adept at using email. The tribunal ascertained that the Respondent had received the electronic bundle (although it was not clear from the Respondent precisely when he did receive it) and provided him with a hard copy for use during the hearing. All parties agreed that they wanted to carry on with the hearing.

11. The Respondent then handed in a further document entitled 'Respondents further reply to the Applicants case'. The start of the hearing was delayed while the tribunal and the other parties present considered this new document. After hearing the parties' representations, the tribunal decided to admit the document into

evidence on the basis that it did not add any new arguments to the Respondent's case and therefore did not disadvantage the Applicant. In addition the tribunal considered that it may contain useful documents for both sides in the annexes.

12. Numbers in bold and in square brackets below refer to pages in the hearing bundle provided by the Applicant unless preceded by the letter "A" in which case they refer to the bundle supplied by the Respondent on 21 October 2025 and "B" in which case they refer to the bundle supplied by the Respondent on 15 January.

Inspection

13. 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 Lease

14. The Respondent's lease [**115**] requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge.

15. The percentage service charge payable by the Respondent as owner of Flat 4 in respect of insurance is set out in clause 1 to the Lease which states (at the bottom of the page) [**117**]:

"*…and also paying by way of further or additional rent from time to time a sum or sums of money equal to twenty-nine per cent of the amount which the Lessor may expend in effecting or maintaining the insurance of the Building and other parts of the Building against loss or damage by fire and such other risks (if any) as the Lessor shall think fit as hereinafter mentioned such last mentioned rent to be paid yearly in advance without any deduction within seven days of written demand*"

16. The percentage service charge payable by the Respondent in respect of service charge is set out in clause 4(ii) [**121**] which requires the Lessee to:

"*Contribute and pay to the Lessor by way of further or additional rent a sum or sums of money (hereinafter called "the Maintenance Contribution") equal to twenty-nine per cent of the costs expenses outgoings and matters mentioned in the Fourth Schedule hereto*".

17. The Tribunal notes the footnote in the bundle [**22**] which confirms that whilst the lease states that the Flat 4 share is 29%, this means that the total payable by all the flats is more than 100%. The leaseholders have all agreed to reduce their shares pro-rata resulting in a 24.04% share apportioned to the Respondent. It is unfortunate that, at the time of the Surrender and Regrant of the lease, the opportunity was not taken to formalise the shares.

18. The Fourth Schedule sets out the costs, expenses, outgoings and matters in respect of which the Lessee is to contribute which includes, at paragraph 1(i):

"the expenses of maintaining, repairing, redecorating and renewing the main structure and in particular the walls, foundations, roof gutters, and rainwater pipes and parking spaces of the Building"

19. The service charge accounts follow the calendar year.

20. The Lease, at clause 4(d) [**122**] also allows the Lessor to require that the Lessee *"pay to the Lessor such sum or sums in advance and on account of the Maintenance Contribution as the Lessor or the Lessor's Managing Agents or Accountants (as the case may be) shall specify at their discretion to be a fair and reasonable interim payment PROVIDED THAT…the Lessor may require any number of such interim payments to be made during the course of any Financial Year at such times as it shall in its reasonable discretion determine".*

The issues

21. Section 19 of the 1985 Act provides that relevant costs shall be taken into account in determining the amount of a service charge payable for a period: (a) only to the extent that they are reasonably incurred, and (b) where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard;

22. The following service charge costs were in dispute:

- building insurance costs for 2024
- invoices from Bunn Trading relating to structural works at the property which took place in 2024
- actual costs incurred in respect of gardening for the 2023 service charge year and the budgeted sum for 2025

- actual costs incurred in respect of maintenance of the Building in 2023 and 2024
- administrative costs for 2023 and 2024
- accountant fees for 2023 and 2024.

23. The Applicant sent service charge demands to the Respondent requiring payment for annual recurring costs in invoices 2024-01 and 2025-01. It issued separate demands in respect of structural works in invoices 2024-02, 2025-02 and 2025-03. At no point did the Respondent in any Statement of Case seek to argue that the demands issued by the Applicant did not conform to the service charge mechanism in his Lease, but he did challenge the need to incur some of this expenditure, and the reasonableness of the sums incurred. The question for us to determine is, therefore, whether the costs in dispute were reasonably incurred and whether they are payable by the Respondent.

24. We have set out our decisions regarding the actual and budgeted service charges (save for the structural works) for 2023, 2024 and 2025 first, and then have dealt with each of the invoices for the structural works in turn. Having heard evidence and submissions from the parties and considered all the documents provided, the tribunal has made determinations on the various issues as follows.

ACTUAL SERVICE CHARGE COSTS 2023 (Invoice 2024-01) [193]

INVOICE 2024-01 [193]

Gardening costs

25. The invoice concerns a gardening cost of £1,415.00 for which Flat 4 is liable for 24.04%, being £340.16.

Respondent's case

26. The Respondent queried the cost of the gardening. He referred the tribunal to paragraph 39 of his Statement of Case from 21 October 2025 which states:

> *"I have for several years requested receipted invoices, or any actual evidence of costs incurred and paid for by cash (purportedly).*" [**A2**]

Applicant's case

27. Ms Parker said at the hearing that the Applicant had engaged two professional gardeners to spend four days clearing brambles, nettles and disposing of the waste. There was no invoice provided, although the costs of the gardening are shown in the Applicant's accounts [**97-98**].

Decision and reasons

28. The tribunal determines that the amounts charged to Flat 4 in relation to gardening costs for 2023 are payable and reasonable.

29. We accept Ms Parker's oral evidence regarding the work carried out by the gardeners. We considered her evidence credible and find that it was not unreasonable to incur the costs. The only challenge raised by the Respondent to these costs in his statement of case was that no invoices had been provided. It is good practice for all service charge expenditure to be evidenced by way of receipted invoices. However, given that the costs are evidenced in the schedule of expenditure accompanying the annual accounts [**97-98**] we accept they were incurred. In the absence of any challenge in the Respondent's statement of case regarding the quality of the works carried out, or as to the work undertaken, we find the costs to be reasonably incurred and payable by the Respondent.

Maintenance costs

30. There is a maintenance cost of £60.00. This was initially disputed by the Respondent for lack of clarity as there were no invoices. It was then agreed when he discovered it related to a £10 monthly cleaning cost for the communal area, being a cash payment to the cleaners.

Decision and reasons

31. The tribunal determines that the sum payable by Flat 4 in respect of the maintenance costs is £14.25 being 24.04% of £60. In the future it would be better practice to formalise this arrangement with the preparation of invoices.

Administration costs

32. The invoice contains an administration cost of £150. This was initially disputed by the Respondent but then approved when he understood that it related to the costs of holding a business bank account, filing accounts at Companies House, and obtaining permission from the Information Commissioner's Officer to be a data controller [**84**].

Decision and reasons

33. The tribunal determines that the sum payable by Flat 4 in respect of the admin costs is £36.06, being 24.04% of £150.

Accountant Fees

34. The invoice contains an 'Accountant fee' of £200. The Respondent queried the fee on the basis that Mr Holman, who draws up the accounts, is not an accountant and that he is the only person paying. The Applicant confirmed that Mr Holman is an accountant, and that all the leaseholders are charged this fee.

Decision and reasons

35. The tribunal determines that the sum payable by Flat 4 in respect of the Accountant Fees is £48.08, being 24.04% of £200.

36. The ability for the landlord to charge for Accountant Fees is also contained within paragraph 6 of the Fourth Schedule which requires the Lessee to pay *"All other expenses (if any) incurred by the Lessor or his Managing Agents in and about the repair, maintenance, and proper and convenient management and running of the Building*". The tribunal considers the amount charged by Mr Holman for preparing company accounts, preparing service charge accounts, submitting them to all the leaseholders in the Building, and registering the company accounts at Companies House to be more than reasonable.

ACTUAL SERVICE CHARGE COSTS 2024 (Invoice 2025-01) [204]

Insurance Costs

37. The costs demanded in 2025 for the service charge year 2024 were £4,329.86 of which the Respondent's share was £1,040 [**204**].

The Respondent's Case

38. The Respondent's position was that there had been an unreasonable increase from the insurance premium for the service charge year 2023 which was £1,163.88 of which his share was £279.80 [**193**]. The Respondent did not expand further on that submission and did not offer any alternative insurance quotes.

The Applicant's Case

39. The Applicant's position was that they use a broker, Howden. Prior to the insurance renewal which took place in May 2024 the broker said that the Building was due to be revalued. The report increased the rebuild cost of the Building from £930,000 to £1.6 million. On receipt of the report the broker advised immediately increasing the reinstatement value even though there was only 8 days left to run on the existing policy. The Applicants did so, which led to a £65.60 charge for those 8 days [**65**]. The Applicants then mentioned to the broker that Flat 4 was empty. The broker obtained two renewal quotes, one with the existing insurer, NIG of around £4,000 and one for £2,798.50 with Aviva [**66**]. They accepted the Aviva quote. In November, the Respondent rented out his flat to 4 professionals which made the flat a House in Multiple Occupation ("HMO"). The Applicant told the broker about this and was told by Aviva that they do not insure HMOs so the broker had 7 days to move the policy. They went back to NIG for a premium of £2,834.56. The new premium was off-set against the premium returned for the remainder of the 12 months with Aviva, and the new insurance premium ran to November 2025 [**67**]. The sum quoted in the invoice is for the period of May 2024 to November 2025 (18 months). This was explained to the Respondent by the Applicant in an email dated 23 February 2025 [**373**].

Decision and reasons

40. The tribunal determines that the amount payable for Flat 4 in respect of the insurance for 2024 is £1,040.89, being 24.04% of the insurance sum of £4,329.86. .

41. The Respondent is required under clause 1 of his lease to pay 29% of the insurance costs of the Building (although by agreement we understand this was varied to 24.04%). In addition, paragraph 5 of the Fourth Schedule to the Lease [**135**] requires the owner of Flat 4 to pay "*the cost of insurance against third party and public liability risks in respect of the Building if such insurance shall in fact be taken out by the Lessor*".

42. We find that the evidence provided by the Applicant makes clear that it, with its broker, actively and conscientiously managed the insurance of the Building. The increase in the insurance premium for 2024 is understandable given the revaluation of the Building which was communicated to the Respondent by email on 27 May 2024 [**192**]. In the absence of any specific challenge from the Respondent and given the lack of any alternative quotes evidencing that the cost of the premium was excessive in amount we determine that the costs were reasonably

incurred and are payable by the Respondent in his apportioned contribution.

BUDGETED SERVICE CHARGE COSTS 2025 [194]

43. The tribunal considered the budgeted service charge for 2025 [**194**]. Of all the items, the only one still in contention was the proposed gardening costs of £550.

Respondent's case

44. The Respondent claimed in the hearing that gardening had not usually been charged (save for the charge mentioned above) and that he usually did the gardening. He did not pay the budgeted charge because he did not believe that the Applicant intended to employ a gardener. He said that if he was given an invoice for gardening he would pay it.

Applicant's case

45. The Applicant said that the gardening had been carried out personally by the owners of Flat 3, but that they were no longer able to do it so they had looked to engage a regular gardener. This was the £550 budgeted cost.

Decisions and reasons

46. The Respondent is keen to see evidence of payments but has agreed that the sum budgeted is reasonable. The tribunal agrees.

STRUCTURAL WORKS (Invoices 2024-02, 2025-02 and 2025-03)

47. The Respondent disputed certain invoices relating to roofing, guttering and structural works that took place in May to July 2024, although one invoice is dated 11 May 2025. We will take these invoices in turn.

INVOICE 2024-02

48. This invoice from 38 Oakdale Road Management Limited contained details of the following 5 invoices:

Contractor invoice	Date	Amount
Bunn Trading INV-0535	22 May 2024	£7,694.00
Bunn Trading INV-0536	21 July 2024	£8,630.00
Bunn Trading INV-0538	30 July 2024	£15,175.00
Bunn Trading INV-0548	06 Nov 2024	£10,045.00
AJP Structures Ltd 24-026	10 July 2024	£1,932.00

49. The Respondent confirmed that the invoice to AJP Structures Ltd, the structural engineer for the works, was not in dispute. The tribunal considered the other 4 invoices as below.

Invoice 0535 [**70**]

50. This invoice relates to £7,694 for scaffolding costs.

Respondent's case

51. There was no mention in the Respondent's statements of case of any dispute about scaffolding. In the hearing he mentioned that he disputed the length of time that the scaffolding was up, rather than the cost. He was also concerned about the fact that the builder, Bunn Trading, refused to let anyone else use his scaffolding meaning that when further works were identified it was not possible to get additional quotes.

Applicant's case

52. The Applicant's position was that they had shared the quote for scaffolding [**175**] with the Respondent who had agreed it in an email dated 20 May 2024 [**341**]. Ms Parker confirmed to the tribunal that the cost of the scaffolding was a fixed cost, regardless of the length of time of the works. The Respondent confirmed in the hearing that he had agreed the cost of the scaffolding prior to it being put in place.

Decision and reasons

53. The tribunal determines that the cost of the scaffolding was reasonably incurred and is payable by the leaseholders. The amount payable by the Respondent for Flat 4 is £1,849.63, being 24.04% of £7,694.00.

54. We find from the evidence provided that works needed to be carried out to the Building and, in particular, to the top two flats. Originally those works were limited to repairing the chimney stack and renewing the guttering and downpipes together with ancillary works to the brickwork and tiles (as set out in the quote [**175**] for £23,713.00 dated 25 April

2024). The evidence suggests that the Applicant was keen to minimise costs as much as possible, as they reduced the amount of works done from the original quote of £38,294.00 date 14 March 2024 [**172**]. In both quotes, however, the scaffolding cost was the same. No alternative quotes were obtained by the Respondent and the tribunal therefore considers the cost of the scaffolding, as a fixed fee regardless of time spent on the repairs, was reasonable.

55. The Respondent is required to pay the expenses of maintaining, repairing, redecorating and renewing the main structure and in particular the walls, foundations, roof, gutters and rainwater pipes…of the Building under paragraph 1 of the Fourth schedule to the Lease [**134**]. Scaffolding is an expense of repair and is therefore payable. The same justification can be used for all of the repairs and works mentioned below.

Invoice 0536 [**71**]

56. This invoice relates to £8,630.00 for the removal of an unsafe chimney to below roof level, including constructing new roof joists.

Respondent's case

57. The Respondent has made the following claims [**B3**]:

> *24. The builder, either working in unison with the freeholders in what I submit is a huge deceit, or independently of the freeholders, then claimed that the chimney was in "imminent danger" of collapsing and instead of making minor repairs as originally he had quoted, submitted and estimate for complete removal of the chimney.*
>
> *25. I was again subjected to coercion in agreeing to pay for this work by the freeholder as they insisted that I would be subject to significant expense for extra scaffolding time, and significant delays to continuance of works…*
>
> *26. This, I submit, was a ruse by the builder and possibly in conjunction with the Applicant, in order to ultimately extort monies from me. The chimney was removed within a few days but the scaffolding was still up for many months afterwards.*
>
> *28. the chimney was taken down far quicker than envisaged and without further ado.*

32. The final cost of the removal of the chimney was inevitably about double the 'ESTIMATED' cost.

58. In the hearing, the Respondent reiterated his claim that the chimney removal was unnecessary but did not provide any evidence to support this claim, save for his professional opinion as a property buyer.

Applicant's case

59. Ms Parker confirmed that the original quote obtained from Bunn Trading Limited included the costs of repairing the chimney, rather than replacing it [**80**]. However, when the builder, Mr Bunn, inspected the chimney more closely he discovered the bricks were spalled (badly damaged) and part of the chimney had crumbled. The builder said they could prop the chimney up and replace the bricks but it would be cheaper and quicker to remove the chimney completely as no one was using it. The Applicants also stated that the Respondent had agreed to the demolition and removal of the chimney [**345**].

Tribunal's Decision and reasons

60. The tribunal determines that the amount payable for Flat 4 in respect of Invoice 0536 for the removal of the chimney is £2,074.65, being 24.04% of the total sum of £8,630.00.

61. The photographs in the Applicant's Environ report show cracks to the chimney pot and spalled brickwork [**152**]. It is not unreasonable for a builder to quote to repair the chimney in an effort to keep costs as low as possible but then when the scaffolding has been erected it is not unusual that, upon closer inspection, they discover things are worse than anticipated.

62. The Respondent has not provided any evidence of any coercion, or that the Builder and Applicant were trying to extort monies. In any case, the other leaseholders in the Building (also shareholders of the freehold) have also had to pay the costs of the chimney removal. The tribunal determines that the Applicant was acting as a conscientious freeholder to make the Building safe and that therefore this cost was reasonable. On the evidence of the Environ report, we find that it was reasonable to incur the costs of replacing the chimney rather than repairing it as the Respondent suggests.

Invoice 0538 [**73**]

63. This invoice is for £15,174.00 and relates to work carried out to the fascia boards, gutters, and to replace a flat roof on the bay window, together with further costs relating to the lintel and cracks.

Respondent's case

64. At the hearing the Respondent confirmed that this invoice was not in dispute. The sum is therefore payable by him in his apportioned contribution.

Invoice 0548 [**80**]

65. This invoice is for £10,045.00 and relates to works carried out to repair cracked brickwork surrounding the front lintel over the window opening.

Respondent's case

66. The Respondent's case is set out in part in bundle A [**1**] under the heading 'Background to the Dispute'. The Respondent claims that although his flat had suffered damp, this work to repair a brick arch above a window in Flat 4 was not necessary. He mentioned that the structural engineer who confirmed how to fix the arch [**103**] was not a professional and that the cracking was not of a serious nature as the cracks did not go through a brick.

Applicant's case

67. Ms Parker confirmed that once the scaffolding was up and the initial works had been agreed for a quoted fee of £23,713, there were two additional sets of works which caused the costs to rise. The first was the faulty chimney which has been considered above. The second was the fact that the builder noticed that some cracking they had found above the window in Flat 4 had spread down the wall. They noticed that lead flashing had come out of the brickwork where the crack appeared and this led to a concern that water had been getting in and may have caused damage to the timber lintel [**107**]. In the worst case the top floor could have collapsed.

68. The Applicant engaged a structural engineer [**100**] who confirmed that the fabric of the building was sound but that the brick arch above the window had suffered movement and needed repairing. The invoice related to works to repair the failed brickwork arch and the brickwork

above that arch in accordance with the method of repair set in the engineer's report.

Decisions and reasons

69. The tribunal determines that the amount payable by the Respondent in respect of Invoice 0548 for the repairs to the brick arch and brickwork is £2,414.82 being 24.04% of the total sum of £10,045.00.

70. As pointed out to the Respondent by our professional member, cracking and any movement will take the least path of resistance, which is generally through mortar pointing. The photographic evidence on page [**106**] of the bundle shows cracking and two bricks which have been repointed and opened up again. This suggests ongoing movement and the displacement of a lintel and it is therefore a reasonable assumption to conclude that there has been movement.

71. Once the builder raised his concerned about the lintel the Applicant then engaged an independent structural engineer who advised on the exact repairs that were needed. The Applicant then carried out those repairs. This is a responsible approach to maintenance of the Building. The tribunal notes that the Respondent has not provided any evidence or expert opinion to support his claim that the cracking was not serious and did not need this level of repair. We find that the actions taken by the Applicant on the advice of their builder and structural engineer were reasonable and that these costs were reasonably incurred.

INVOICE 2025-02

72. This invoice from 38 Oakdale Road Management Limited contained details of INV-0552 from Bunn Trading dated 11 May 2025 for £6,410, of which the Respondent's share was £1,540.96 [**78**]. It relates work to repair a large crack running down the rear wall of the Building which was discovered when a cast iron down pipe was removed. It also relates to the resurfacing of the floor of the balcony to Flat 3 which forms the roof of the bay window to Flat 1.

Respondent's case

73. After much discussion in the hearing, the Respondent confirmed that the parts of the invoice relating to the repairs to the crack were agreed. The sole point of contention was the replacement of the balcony floor.

74. The Respondent's case is set out in Bundle B [**5**] paragraph 54. It is set out here:

54. The BALCONY work appears to me to be a matter for Flat 3 to fund, and it is surely manifestly unfair to ask for other Leaseholders to contribute to a part of the building where only Flat 3 have exclusive access rights. Only Flats 1 and 3 can benefit from this work, so ergo, I submit that this work should not be classified as a communal expense and that the Lease when created, did not intend to classify this exclusively Flat 3's balcony as comprising a communal expense.

75. No evidence in support of this submission was provided.

Applicant's case

76. The Applicants said that the floor of Flat 3's balcony is off the bedroom above Flat 1's living room and is the roof of Flat 1's bay window. Their interpretation of the lease is that the balcony therefore also forms part of a roof, and is therefore a communal cost. The cost apportioned to the balcony in the invoice is £1,110.00

Decisions and reasons

77. The tribunal determines that the amount payable for Flat 4 in respect of Invoice 0552 for the repairs to the crack in the back wall and the floor to the balcony off Flat 3 is £1,540.96 being 24.04% of the total sum of £6,410.00. This includes the Respondent's share of the invoice relating to the cost of replacing the balcony floor.

78. As mentioned earlier in this decision, paragraph 1(i) of the Fourth Schedule to the Lease requires the Respondent to "*contribute towards the expenses of maintaining, repairing, redecorating and renewing the main structure…of the Building*".

79. It is clear from the Lease and also from the photographs in the bundle [**156**] that the floor of the balcony is also the roof of the flat below, Flat 1. The balcony clearly, therefore, forms part of the main structure of the Building as having a watertight floor on the balcony which slopes away from the Building protects other parts of the Building, most particularly the flat below. For that reason the Respondent is liable to contribute towards the costs of the repairs to the balcony floor, and in our determination the costs in question were reasonably incurred and are payable by the Respondent

80. In the absence of any actual evidence from the Respondent to suggest that these costs were unreasonably incurred, such as quotes from alternative builders, the tribunal considers that the amount apportioned of £1,110 is payable by him.

INVOICE 2025-03

81. This invoice for £2,059.59 contained an invoice from Bunn Trading INV-0522 dated 8 November 2024 for £1,800.00 to paint the 1st and 2nd floor window sills of which the Respondent's share was £432.72. It also contained a charge for Administration Fees. These two items will be considered separately.

Invoice 0522 [**76**]

Respondent's case

82. There is nothing in the Respondent's Statements of Case or Response about why these sums are contested. In the hearing he suggested that the issue was that he had thought only his window sills were being painted for which he alone would be charged £400 plus VAT, but instead the window sills for the first and second floors were painted.

Applicant's case

83. The Applicant confirmed that they decided to take advantage of the scaffolding to paint all the window sills in the first and second floors.

Decision and reason

84. The tribunal determines that the amount payable for Flat 4 in respect of Invoice 0522 for the painting of the window sills is £432.72 being 24.04% of the total sum of £1,800.00.

85. The fact that the costs relating to the window sills were payable by the Respondent was not in contention. The Respondent agreed that it would be reasonable to pay £400 plus VAT for this work which would have been £480 in total. He was charged £432. The tribunal agrees that this amount is reasonable.

Administration Fees

86. Invoice 2025-03 (provided separately) contains a charge to the Respondent of Administration Fees of 15% for all costs incurred in 2024 and 2025. This is listed in the invoice as being

"*Administration fees 15% of costs incurred in 2024 and 2025*"

And amounts to £1,626.86.

Respondent's case

87. The Respondent agreed with the general premise of being able to add an administration fee on top of the service charge. However he took issue with the fact that the Applicant had issued him with an invoice without the administration fee and then retrospectively applied it to the service charges for 2024 and 2025. He also claimed that he was the only person who was being charged the administration fee.

Applicant's case

88. The Applicant stated that paragraph 7 of the Fourth Schedule to the lease allows the landlord to charge a 15% administration fee to any of the service charge items [**135**]. Ms Parker spoke for the Applicant and said that traditionally they have not charged either ground rent or the administration fee, but because of the significant length of time it was taking the Respondent to pay his service charge bills, they now wished to apply it. They admitted they were only applying the administration fee to the Respondent.

Decision and reasons

89. The Respondent is not liable to pay the sum of £1,626.86.

90. The lease states, at paragraph 7 of the Fourth Schedule, that the Lessee must pay:

> *"The fees and disbursements and VAT paid to any Managing Agents, Accountants and Solicitors appointed by the Lessor PROVIDED THAT so long as the Lessor does not employ Managing Agents, the Lessor shall be entitled to add a sum not exceeding fifteen per cent plus VAT to any of the above items for administration"*

91. The tribunal agrees with the Applicant that the landlord is permitted to charge a 15% administration fee and that it can recover this through the service charge. However, it cannot recover it from the Respondent alone. It needs to be demanded from all leaseholders, in the same way as any other service charge expenditure, in accordance with their apportioned contributions under the terms of their leases. The sum of £1,626.86 has not, therefore, been properly demanded as service charge expenditure.

Name: Judge Stewart **Date: 22 January 2026**

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).