



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

<b>Case Reference</b>	: HAV/43UJ/LSC/2025/0711
<b>Property</b>	: Flat 4, 42 Frimley Road, Camberley, Surrey GU15 3BD
<b>Applicants</b>	: Tassadiq Hussain and Shahzadi Tassadiq (tenants)
<b>Representative</b>	: In person
<b>Respondent</b>	: Sinclair Gardens Investments Ltd (land- lord)
<b>Representative</b>	: S Jussab, consultant, PDC Law
<b>Type of Application</b>	: Liability to pay service charges under s.27A Landlord and Tenant Act 1985
<b>Tribunal Members</b>	: Tribunal Judge M Loveday J Wilson MRICS T Wong
<b>Date and venue of Hearing</b>	: 6 January 2026, Havant Justice Centre
<b>Date of Decision</b>	: 28 January 2026

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**DETERMINATION**

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## **Introduction**

1. This is an application under s.27A Landlord and Tenant Act 1985 (“LTA 1985”) for determination of liability to pay service charges.
2. The matter relates to Flat 4, 42 Frimley Road, Camberley, Surrey GU15 3BD, which comprises a 2-bedroom flat in a block of 5 flats.
3. The Applicants are lessees of the flat, and the Respondent is the landlord. At all material times the Respondent has retained Hurst Management Ltd as managing agents. Hurst has at all material times adopted a service charge year ending 25 December in each year.
4. The application was heard on 6 January 2026 at Havant Justice Centre. The Applicants appeared in person, with the First Applicant speaking for himself and the Second Applicant. The Respondent was represented by Mr. S Jussab, a barrister and consultant with PDC Law, solicitors. The Tribunal heard evidence from Mr M Kelly, a Director of Hurst Management and the property manager for the premises. The Tribunal also heard submissions from the First Applicant and Mr Jussab. The Tribunal is grateful to them all.

## **The Lease**

5. The flat lease is dated 8 October 1982 (“the Lease”). Under the terms of the Lease, the flat was demised for a term of 99 years from 24 June 1982 at a ground rent of £40pa. The Lease includes service charge provisions which require the Applicants to pay a service charge which is calculated using a fixed apportionment of 20%. It is unnecessary to refer to any of the provisions of the Lease for the purposes of the application.

## **The application**

6. The application to the Tribunal is dated 12 June 2025 [p.11] and seeks a determination of liability to pay service charges of £23,779.75 payable in the 2021-2, 2022-3 and 2023-4 service charge years. The Applicants relied on a statement of case

dated 11 November 2025 [p.21] and a further (undated) Reply [p.46]. The Respondent relied on a statement of case dated 4 December 2025 [p.25].

7. At the hearing, the parties agreed there were seven separate issues, and the Tribunal will deal with each of them in turn.
8. **Roof and balcony** The Respondent incurred relevant costs of £4,962 for works to the roof and a balcony during the 2023-24 service charge year: see invoice from Dual City Building Contractors Ltd dated 2 April 2024. These costs were met from insurance, apart from an excess of £250.
9. In their Reply, the Applicants accepted they were not challenging the repair costs met by the insurers. At the hearing, the First Applicant also confirmed there was no challenge to the £250 insurance excess. Instead, the Applicants focussed on “the management fee and the insurance administration fee” charged by the managing agents in relation to the insurance claim and the works. At the hearing the First Applicant clarified this meant:
  - (1) An administration fee of £496.20 for handling the insurance claim. This appears to be calculated at 10% of the works cost: see Hurst Managements invoice dated 4 April 2024 [p.263].
  - (2) A £620.25 charge for supervising the works. This was calculated at 12.5% of the works costs. There is no specific invoice for this figure in the bundle.

The disputed costs were therefore £1,116.45.

### *The Applicants' case*

10. The Applicants' case was that the works were not of a reasonable standard under s.19(1)(b) LTA 1985.
11. The First Applicant explained the landlord was responsible for repairing the balcony to Flat 5, which also formed the roof of Flat 4. There had been an issue with leaks into Flat 4 from the Flat 5 balcony since the Applicants acquired their flat in

2021. In the winter of 2021, they reported a ceiling leak in the bathroom to Hurst Management, who sent a contractor to replace a few tiles and skim the damaged ceiling. The cost was recovered from insurance, and the excess was paid by the leaseholders. The First Applicant referred to further emails reporting the problem to Hurst Management dated 25 August and 12 September 2022. The agents arranged for two separate sets of contractors to visit in September/October 2022. There were two invoices showing this:

- (1) £400 paid to C Burgess Roofing for an “Inspection of Balcony” and to “Replace Broken tiles”: see invoice dated 2 September 2022 [p.311].
- (2) £250 paid to J & B Builders to “Repair gutter & replace broken tiles”: see invoice dated 21 October 2022 [p.315].

Despite these works, the leaks got worse. The Applicants referred to various photographs of water damaged ceilings at the flat taken in January 2023 [p.101]. There were multiple email reminders, and in particular emails of 4, 7 and 13 February 2023 and 30 April 2023 [p.327]. The email of 30 April suggested the old roof felt needed to be stripped off and replaced with three new layers.

- 13 Eventually the agents arranged for major works. Part of the works concerned the parapet, and these required consultation under s.20 LTA 1985. There is a Notice of Intent dated 29 April 2023 which describes the parapet works as “Rake out mortar, clean and re-point internal side of the parapet wall as required; carry out render repairs to top of parapet wall and external side as required; leave site clean and tidy on completion [p.326]. The First Applicant emailed the next day to say he was surprised the Notice of Intent made no mention of the flat roof felt or roof flashing. He explained the water leak was caused by one or more of three specific defects, namely damaged roof felt, damaged roof flashing or defective pointing on the parapet wall. The agents explained they had already made a second insurance claim to cover remedial works in relation to the leaks, which included “replacing roof tiles where missing or broken, checking battens and felt for soundness and renewing the balcony floor to include installing lead flashing (or equivalent) to cover the felt upstand: see letter from agents dated 4 May 2023 [p.93].

- 14 The roof and balcony works were carried out by Dual City. Their quotation is dated 30 March 2023 and refers to:

“Scaffolding requires erecting to the rear of the property around the balcony  
**Cost £ 1,100.00**

Roof tiles require approx.80 new tiles fitting, replacing broken or missing ones. Replacing some battens if necessary. **Cost £ 850.00**

The balcony floor also requires 2 coat torch on felt roof system applied. Supply and fit lead flashing to cover felt upstand. **Cost £ 2,185.00”**

Dual City rendered its invoice in the sum of £4,962 on 2 April 2024, which included VAT on the above sums (£850) [p.340-1]. It sought payment for the following:

“Removed and replaced with approx.80 new tiles. Re positioned all other tiles where required

Balcony floor was laid over existing with new 2 coat torch on felt system. Supplied and fitted lead flashing to cover felt upstand”

12. The Applicants contended the works themselves were not of a reasonable standard. The contractors did not remove the existing felt to check the condition of the roof battens or the floorboards to the balcony. Instead of removing the old felt on the balcony, the contractors simply laid 2 new coats of felt over the existing felt. Moreover, multiple old and broken tiles were not replaced, and gaps were left in the flashings. Lead flashing was also replaced with felt flashing (contrary to what was stated in the estimate). The Applicants referred to several photographs taken by their roofer confirming the flaws with the 2024 works [p.104-110 and 124].
13. The First Applicant went on to say the roof and balcony still leaked after the works, and he referred to various photographs showing continued water damage to the flat ceiling. In January 2025, the Applicants installed cladding in the flat, but they collected about 5 litres of water in a bucket which had dripped through the cladding.

*The Respondent's case*

14. Mr Kelly's evidence began with the Applicants' August 2022 email. A job sheet was raised and Burgess Roofing carried out minor repairs. The same day, a site inspection took place, and it was noted works were also needed to the guttering. The Respondent also wrote to the lessee of Flat 5, since the lessee was responsible for balcony repairs. Mr Kelly confirmed the s.20 consultation process and the placing of the works contract with Dual City. He also confirmed the insurance claim and payout. Mr Kelly gave no explanation about the work carried out to administer the works contract, or the standard of the works themselves. However, he explained the typical services provided by the agents in any service charge year. These included:

*"Organizing general maintenance of the Building as and when required. A job-sheet is generated, and the relevant contractor is instructed to undertake the work following either a site inspection or a request from a Tenant. The job sheet is entered onto the computerized records. Periodic works are also noted for estimating and auditing purposes."*

*"Liaising with the insurance agent."*

*Liaising with the Insurance agent regarding Insurance claims in respect of the property. Liaising with Loss adjusters as and when required dependent on the estimated value of the claim. Liaising with the agent in connection with instructing contractors to undertake emergency insurance works as required."*

15. When asked about the standard of works, Mr Kelly pointed to photographs in the bundle showing the completed roof works [pp.357-61]. The Dual City quotation was worked up by the contractor.
16. In closing submissions, the Respondent submitted there was no evidence the lessees had been charged a 12.5% administration fee by Hirst Management for

supervising the works. No reduction should be made in Hirst Management's 10% claims handling fee or its basic annual management fee, since there was no challenge to the services provided in relation to either fee. The Respondent's "substantive case" on the works was that the leaks were "not necessarily caused by insufficient works", no causation of the leak had been reasonably established, there is no evidence to support the works had not been carried out to a reasonable standard and no evidence Hirst had not worked reasonably.

*The Tribunal's decision*

17. Before turning to the main issues about the balcony and roof works, the Tribunal should mention the suggestion made by Mr Kelly that repairs to the relevant balcony were the responsibility of the lessee of Flat 5. That argument is not raised in the Respondent's statement of case, and it was not developed in oral argument by Mr Jussab. It seems the Respondent has (subject to insurance claims) treated the costs of all works to the Flat 5 balcony and roof as service charge items. The Tribunal proceeds on the basis that there is no issue about the recoverability of these costs under the Lease.
18. The Applicants' basic argument is that the 2024 works were not of a reasonable standard under s.19(1)(b) LTA 1985. This states:  
“(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period-  
...  
(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;  
and the amount payable shall be limited accordingly.”
19. On the limited evidence available, the Tribunal concludes that the works were not of a reasonable standard:
  - (1) The works were plainly intended as a permanent solution to the water ingress to Flat 4. So much is clear from the fact there had been three attempts

to deal with water ingress in 2021 and 2022, a previous insurance claim and detailed and persistent complaints by the Applicants. By this stage, it was therefore incumbent on the Respondent to investigate the source of the water ingress properly, provide proper specifications of works to contractors and to supervise the works.

- (2) Mr Kelly concedes there was no specification of works and that the March 2023 quotation was simply worked up by the contractors. In the light of the experience with works dealt with by three previous contractors, this was unreasonable.
- (3) Once the March 2023 quotation was received, the agents took no further steps to establish the source of the water ingress. This was despite the very specific allegations about the cause of the leaks in the Applicants' email of 30 April 2023 [p.327].
- (4) There is no dispute the 2024 works were ineffective to stop water ingress. So much is clear from the photographs of the Flat 4 ceiling and the correspondence since 2024.
- (5) The photographs of the completed works and the invoice of show the covers to the upstands were finished in felt, not lead. Even a cursory comparison of the quotation and the invoice would have shown that this potentially costly element of the works was omitted.
- (6) The photographs taken by the Applicants' roofer and those submitted by the Respondent show numerous defective tiles after the works were completed.
- (7) A reasonable landlord would have arranged for the existing felt roof to be stripped back to investigate the cause of the leak.

20. The Tribunal further finds the services provided by Hirst Management were not of a reasonable standard, because they failed to supervise the works properly. In effect, the managing agents failed to investigate the cause of the damp ingress or to specify works that would have remedied the balcony defects.

21. However, s.19(1)(b) LTA 1985 requires the Tribunal to reach a separate decision about whether to limit the service charges payable by the lessees. And in this case the Tribunal does not consider it is appropriate to make any such limitation:

(1) The obvious relevant costs that might be limited would be the £4,962 paid to Dual City. But as already explained, those costs were largely met by insurers, not by the lessees through their service charges. The Applicants specifically declined to challenge any element of the repair costs or the insurance excess.

(2) As to Hirst Management's fees, the Tribunal agrees there is no evidence the agents in fact charged a 12.5% works supervision fee. Had they charged for supervising the works, the Tribunal would have disallowed the supervision fees in full under s.19(1)(b) LTA 1985.

(3) It would not be appropriate to limit Hirst Management's 10% insurance claims handling fee or its annual management charges. In effect, the lessees may well have received poor services, but they have not had to pay for those poor services through their service charges.

22. Before leaving this issue, the Tribunal observes that the Applicant have not raised any claim for damages for disrepair in these proceedings, whether by way of a Defence of set-off to their service charge liability or otherwise. If the Applicants wish to pursue damages or other remedies for disrepair, they will have to do so by way of separate court proceedings.

23. The Applicants' 20% apportioned contribution to the parapet wall, plastering charges and additional works costs of £6,792 is £1,358.40 (together with a contribution of £130.50 to the administration fees of £652.50). The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay these service charges in the 2023-24 service charge year.

24. The Applicants' 20% apportioned contribution to Hirst Management's £1,116.45 fees in relation to the roof and balcony works was £223.29. The Tribunal

determines under s.27A LTA 1985 that the Applicants are liable to pay service charges of £223.29 for these costs in the 2023-24 service charge year.

### **Parapet wall and rear elevation**

25. The Respondent undertook works to the second-floor parapet wall and rear elevation in September 2024. The Applicants were unclear about the costs involved, but the Respondent provided full details as follows:

- (1) £1,860 for applying two new coats of sand and cement render to the external wall and top of the parapet wall to match the existing render system. The cost appears in an invoice from Dual City dated 2 September 2024 [p.335].
- (2) £2,040 for making good the internal face of the parapet wall, raking out mortar joints and re-pointing. The cost appears in an invoice from Dual City dated 2 September 2024 [p.336].
- (3) £1,320 for erecting scaffolding to the rear of the property to access the top balcony and the external wall below it. The cost appears in an invoice from Dual City dated 5 September 2024 [p.304 + 337].
- (4) £660 for replacing the top course of brickwork to the parapet. This cost appears in an invoice by Dual City dated 2 September 2024 [p.362].
- (5) £912 for applying 2 coats of render to the external wall and top of the parapet wall as well as applying a top with pea shingle to match the existing render on the Building. This cost appears in an invoice by Dual City dated 5 September 2024 [p.363].

These amount to £6,792. In addition, Hurst Management charged administration fees of 12.5% on the cost of the works in the first three invoices. These amounted to £652.50 [p.338-9].

### *The Applicants' case*

26. The Applicants objected to the first three costs on the grounds that some works were not of a reasonable standard under s.19(1)(b) LTA 1985 and other costs were not reasonably incurred under s.19(1)(a) LTA 1985. They relied on photographs and argued:

(1) The fresh pea shingle render to the exterior of the parapet wall was generally finished in a much lighter colour than the existing render to the wall below. It was also uneven, with several light and very dark patches. The Applicants argued the render looked worse than before.

(2) The rendering to the lower part of the internal face of the parapet wall did not need to be stripped back and made good. There were photographs showing this part had only recently been re-decorated in cream coloured paint. The works included in the first invoice from Dual City for £2,040 were not therefore needed.

27. In addition, Dual City had already charged for erecting scaffolding at the rear of the property as part of the April 2024 balcony works: see invoice dated 2 April 2024 [p.341]. The scaffolding was the same and had not been struck and re-erected for the September 2024 parapet works. The lessees were therefore charged twice for the same scaffolding.

#### *The Respondent's case*

28. Mr Kelly referred to the s.20 LTA 1985 consultation for the parapet wall and wall works. While these were under way, it became apparent that additional work was required to the brickwork to the parapet wall. It was cost efficient to have the extra work undertaken whilst the contractor was on site and the scaffold in place. The top course of brickwork to the parapet wall was therefore replaced and further rendering work was carried out once the brickwork was completed. This is accounted for in the last two Dual City invoices outlined in paragraphs 25(4) and 23(5) above.

29. In closing submissions, Mr Jussab mainly relied on the same arguments raised in relation to the balcony works. As to scaffolding, the Respondent accepted the same scaffolding had remained in place for both sets of 2024 works. But the two charges reflected the fact the works were carried at different times of the year.

### *The Tribunal's decision*

30. As to the standard of works, the Tribunal has not inspected the premises or the works. The evidence is limited to photographs showing discoloured fresh rendering. But the colouring shown in the photographs is not conclusive, and the Tribunal was not referred to any corroborative material, such as emails or correspondence. The Tribunal is not satisfied on the photographic evidence that the parapet wall works were not of a reasonable standard.
31. As to the lower part of the inner face of the parapet wall, brickwork repairs and balcony works were carried out to this area. It was therefore reasonable to redecorate this area.
32. The scaffolding was admittedly in place for several months, and contractors used it for different sets of work. Prima facie, scaffolding contractors are entitled to be charge more for scaffold hire over a longer period of time. The Applicants have not provided any evidence that the lessees have been charged twice for scaffold hire.
33. The Applicants' 20% apportioned contribution to the parapet wall, plastering charges and additional works costs of £6,792 is £1,358.40 (together with a contribution of £130.50 to the administration fees of £652.50). The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay these service charges in the 2023-24 service charge year.

### **External redecorations 2022**

34. The Respondent engaged contractors to carry out external redecorations in 2022. The Respondent incurred costs of £5,646 for the works together with Hurst Management's administration fees of 12.5%.
35. There was no dispute about the sequence of events. The Respondent consulted about these works under s.20 LTA 1985 and obtained a quotation from S Glynn Contractors Ltd. The contractors rendered an invoice for £5,646 dated 12 September 2022. On 15 September 2022, Hurst Management authorised payment of

£5,081.40, which was the works contract price less a 10% retention. On 7 March 2023, Hurst Management sent the contractors a snagging list, which referred to flaking paint to the plinth at the base of the building, missed decoration of the wooden fascias around the top floor dormer, the plinth around the balcony base and damage to a section of gutter caused by a ladder used by the decorators [p.372]. The Respondent accepted the contractor failed to return to the site to complete the snagging items. But the agents nevertheless released the retention of £564.60 to the contractors.

### *The Applicants' case*

36. The Applicants relied on photographs showing the poor standard of the works. They argued the works were not of a reasonable standard under s.19(1)(b) LTA 1985 and that as a result of the early release of the retention, the agents unreasonably incurred costs under s.19(1)(a) LTA 1985.

### *The Respondent's case*

37. The Respondent realistically conceded the decoration works were never completed. In paragraph 27 of its statement of case [p.29], the Respondent acknowledged “the retention sum (£564.60) should have been withheld”. Mr Kelly was unable to explain why the agents had released the retention. In his closing submissions, Mr Jussab said the Respondent would not resist the suggestion that the 10% retention was an appropriate proxy for any deduction for the standard of works

### *The Tribunal's decision*

38. The Respondent has admitted the redecoration works were not completed. The Tribunal has compared the photographs provided by the Applicants and is satisfied the snagging list broadly reflects the defects with the works. It finds that the works were not of a reasonable standard for the purposes of s.19(1)(b) LTA 1985.
39. There is no suggestion the bulk of the works were not carried out. What was left was merely snagging. The Tribunal accepts the Respondent's concession that the

10% retention figure fairly represents the deduction for the unreasonable standard of works.

40. That leaves Hurst Management's administration fee. A fee of £705.75 was invoiced on 12 September 2022 [p.378]. The agents have not sought to justify their premature release of the retention money, and to that extent the Tribunal finds Hurst Management's management services were not of a reasonable standard under s.19(1)(b) LTA 1985. But it does not automatically follow the Tribunal must make a similar 10% reduction to that made in relation to the works. One allowance is for a poor standard of works, the other is for a poor standard of management services. Given the importance of ensuring that works are satisfactorily completed, the Tribunal makes a 20% deduction from the agents' £705.75 fees for administering the works contract. This amounts to a deduction of £141.15.
41. The Tribunal therefore allows £5,081.40 for the external decorations in 2022, as follows:
- (1) Costs of the works £5,646;
  - (2) Less 10% to reflect the unreasonable standard of works carried out (£564.60).

The Applicants' 20% apportioned contributions are £1,016.28.

42. The Tribunal also reduces Hurst Management's administration fee of £705.75 by 20% (£141.15) to equal £564.60. The Applicants' 20% apportioned contribution is £112.92.
43. The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay these service charges in the 2021-22 service charge year.

### **Routine fire safety testing**

44. The fire alarm system was completely replaced in 2024. The Applicants challenged the relevant costs of weekly fire alarm inspections and monthly emergency lighting tests for the 2023-24 service charge year after the new system was installed. Which

they calculated at £1,572.20. At the hearing, the First Applicant referred to various figures given in the service charge statements. The Tribunal's analysis of the weekly and monthly testing suggested these costs amounted to £283.20, although there were other charges such as fire risk assessments and annual maintenance contracts. But in the light of the Tribunal's conclusions below, the precise figures involved are probably of little importance.

#### *The Applicants' case*

45. The Applicants stated the new alarm system remained incomplete and non-functional since the date of installation, which was evidenced by the control panel screen constantly showing zone error messages. They believed the inspection charges were premature and unreasonable until the system was operational. At the hearing, the First Respondent suggested the fire alarm control panel in the ground floor hallway had shown constant faults since it was installed. There were photographs (taken in 2025) showing one zone "in fault" on 1 March, 10 June and 3 July 2025. Although the First Applicant did not live in the flat, he visited every 1-3 weeks and saw these faults. The lessees should not in any event pay anything for routine checks of a new system.

#### *The Respondent's case*

46. The Respondent's case was that the benchmark technical standards for fire safety alarm systems were weekly testing, with monthly walk-through inspections, six-monthly inspection and annual full service. The charges were a reasonable rate for the work done and the assessments consistent with statutory guidance utilising the expertise of a certified contractor. Mr Kelly suggested in paragraph 21 of his statement that weekly, monthly and yearly testing of the system was required to comply with legislation. Weekly alarm tests were undertaken by a responsible person, and a monthly visual check of the control panel was checked. These inspections were legally mandated under the Regulatory Reform (Fire Safety) Order 2005 to ensure the system was maintained in an efficient state. In his oral evidence, Mr Kelly explained that the error messages on the control panel related to individual flats. When the new alarm system was installed, the Respondent had been unable to gain

access to all the flats. Until the flats were all linked to the control panel, the panel showed zone error messages. All flats were finally linked to the system in September/October 2024. But the alarm system otherwise functioned properly until these issues were dealt with.

### *The Tribunal's decision*

47. The Tribunal is a specialist Tribunal, and it is aware that managers routinely arrange weekly fire alarm testing and monthly testing of common parts emergency lighting. The justification is frequently that these routine checks are undertaken to comply with the Fire Safety Orders and BS 5839-1:2017. The Tribunal would need expert evidence about fire safety issues to establish the costs of such periodic safety inspections were unnecessary and not reasonably incurred. The Applicants have not therefore raised a *prima facie* case that the cost of weekly and monthly testing is not reasonably incurred. Furthermore, it accepts Mr Kelly's explanation of the error messages on the control panel. They did not indicate that the routine testing was not carried out properly, or that no routine testing took place.
48. The Tribunal therefore finds that the relevant costs of £283.20 incurred for weekly and monthly fire systems checks incurred in the 2023-24 service charge year were reasonably incurred. The Applicants' 20% apportioned contribution to these costs is £56.64. The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay service charges of £56.64 for routine fire testing in the 2023-24 service charge year.

### **Garden maintenance**

49. The Applicants challenged £1,536 incurred for garden maintenance:
  - (1) £516 in the 2021-22 service charge year [p.171].
  - (2) £462 in the 2022-23 service charge year [p.174].
  - (3) £558 in the 2023-24 service charge year [p.177].

Garden maintenance was provided by BCS Services Ltd and there are various receipts for these costs [p.188 onwards].

### *The Applicants' case*

50. The First Applicant suggested at the hearing that he had never seen a gardener on site. The outside space was entirely surfaced in concrete with no grass, trees, or flowers. The First Applicant sometimes disposed of rubbish himself from these areas. He referred to various photographs [p.161-5], showing self-seeding plants growing from the boundary fences, rubbish sacks stacked outside the building and what appeared to be builders' debris against a wall. The Applicants argued that the maintenance services were not of a reasonable standard and work was not carried out.

### *The Respondent's case*

51. The Respondent's case was that BCS Services carried out garden maintenance on the basis of fortnightly visits, albeit their charges were monthly. Their monthly charges had been £35.00 +VAT since May 2022, with additional charges for cutting back tree branches, removal of dumped bulk items, etc. The scope of works included sweeping the car park area and paths to the sides of the property, removal of weeds and litter and ensuring the site was kept in a neat and tidy condition.

### *The Tribunal's decision*

52. The photographs show some evidence the grounds were not kept in reasonable condition and that evidence was not rebutted. The Tribunal therefore makes some allowance against the relevant costs of garden maintenance. Charges of £35 + VAT for visiting twice a month do not suggest there was any expectation of a high level of gardening and grounds maintenance. The Tribunal deducts 15% of the garden maintenance costs to reflect the standard of services under s.19(1)(b) LTA 1985.

53. The garden maintenance costs allowed by the Tribunal and the Applicants' 20% apportioned contributions are as follows:

S/C Year	Costs allowed	S/C contribution
2021-22	£438.60	£87.72

2022-23	£392.70	£78.54
2023-24	£474.30	£94.86

The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay these service charges in respect of garden maintenance in each year.

## **2024 Management fees**

54. The Applicants challenged £4,542.45 in fees charged by Hurst Management during the 2023-24 service charge year. They were:

- (1) £387 for quarterly “Accounting Management fees” [p.175].
- (2) £1,773.45 in “Administration fees and costs” [p.175].
- (3) £2,382 in “Property Management Fee” [p.177].

There were various invoices supporting these costs.

### *The Applicants’ case*

55. At the hearing, the Applicants’ case was that the various complaints about the agents showed that their services were not of a reasonable standard. They invited the Tribunal to make an appropriate deduction under s.19(10(b) LTA 1985.

### *The Respondent’s case*

56. The Respondent’s case was that Hurst Management provided significant services in return for the quarterly Accounting Management fees and the quarterly Property Management Fees. Mr Kelly gave evidence of these services, which ran to several pages of his witness statement. The “Administration fees and costs” were additional charges for matters such as works supervision and claims handling which were not covered by the quarterly charges. Examples of such charges are given above.

### *The Tribunal’s decision*

57. There is no evidence of any failures of the managing agents in relation to the provision of management accounting. The Tribunal therefore allows the full £387 for quarterly “Accounting Management fees” in the 2023-24 service charge year.

58. As to the Property Management Fees, the Tribunal has made a relatively modest allowance to the garden maintenance costs, and this shows a failure by Hurst Management to supervise contractors. The Tribunal makes an allowance of 5% to Hurst Management’s 2023-24 “Property Management Fees” to reflect poor supervision of the garden maintenance contractors. It therefore allows £2,262.90 for “Property Management Fees” for that service charge year.
59. As already explained, the 2023-24 “Administration fees and costs” include fees for the provision of management services such as insurance claim handling and supervision of major works. The Tribunal has already made a deduction of £141.15 from these costs in paragraph 42 above and this deduction should be applied to the “Administration fees and costs” of £1,773.45 shown in the 2023-24 service charge statements. The Tribunal therefore allows £1,632.30 for the relevant costs of “Administration fees and costs” (i.e., £1,773.45 less £141.15) to reflect the standard of agents’ services under s.19(1)(b) LTA 1985.
60. Applying the 20% apportionment, the Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay service charges of £856.44 for management fees and administrative costs for 2023-24 as follows:

Fee	Costs allowed	S/C contribution
Accounting Management	£387.00 (para 57)	£77.40
Property Management Fees	£2,262.90 (para 58)	£452.58
Administration fees and costs	£1,632.30 (para 59)	£326.46
	£4,282.20	£856.44

### Insurance

61. The building insurance premium for 2023-24 was £3,541.37 [p.176]. There was also public liability insurance of £220 and terrorism cover of £84.91 [p.177]. These amount to £3,846.28.

### *The Applicants' case*

62. The Applicants' statement of case only made a general challenge to insurance costs. They suggested the Respondent and Hurst Management had acted unreasonably in the execution and supervision of insured works. It was suggested this contributed to increased insurance premiums for leaseholders, who ultimately bear these costs through the service charges. No further details were given in the Reply. But at the hearing the First Applicant clarified that the challenge was to the 2023-24 insurance costs set out above. He argued the 2023-24 insurance costs were affected by the poor claims history and that the main premium ought properly to have been £1,500pa. The Tribunal pointed to the building insurance premiums shown in the service charge statements:

- (1) £2,879.69 (2021-22) [p.171].
- (2) £3,177.89 (2022-23) [p.173] (a 10% increase).
- (3) £3,541.37 (2023-24) [p.176] (an 11% increase).

In response to this, the First Applicant observed that "if you claim, the premiums go up."

### *The Respondent's case*

63. In closing submissions, Mr Jussab observed the argument about the poor claims history was not pleaded and the challenge to the insurance premiums seemed to have been withdrawn in the Reply. But in any event, there was no evidence the premium increased due to any poor claims history.

### *The Tribunal's decision*

64. The Applicants insurance arguments was not clearly articulated in the statements of case. Had the point been developed properly, no doubt the Tribunal would have been provided with material documents such as the demands for payment of the insurance premiums and policy details. More importantly, the Applicants have not produced any evidence of the claims history or evidence of insurance premiums for similar properties. Still less is there any evidence from a broker to support the suggestion the premium was affected by the claims history or Hurst Management's

conduct of the insurance-funded works. Over the short term, it seems the building insurance premiums simply increased by 10%pa year on year. The Tribunal does not consider the Applicants have made out a *prima facie* case that the insurance costs were unreasonably incurred under s.19(1)(a) LTA 1985 – or indeed that the argument about claims handling is even open to them on their statements of case.

### **Section 20C LTA 1985**

65. There is an application for limitation of costs under s.20C LTA 1985 dated 12 June 2025. Although it seeks a limitation of contributions by various lessees to the costs incurred by the Respondent in connection with the Tribunal proceedings, none of those other lessees are joined to the application. The Tribunal therefore treats the application as only made by the Respondent. There is also an application under paragraph 5A of Sch.11 to the Commonhold and Leasehold Reform Act 2002.
66. 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* (2006) LRX/26/2005, 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.”

Similar principles apply to para 5A of Sch.11 to the 2002 Act.
67. In its statement of case, the Respondent accepts the position that the Lease does not provide for legal costs to be recovered as part of the service charge. That concession is formally recorded.
68. But in any event, the Tribunal makes no order under s.20C LTA 1985 or para 5A of

Sch.11 to the 2002 Act. The Applicants have succeeded on relatively minor items of cost and reduced their service charge liability only to a limited extent. But this reduction is wholly out of proportion to the very detailed complaint and the costs of the dispute.

## **Conclusions**

69. The Tribunal determines under s.27A LTA 1985 that the Applicants are liable to pay service charges as follows:

(1) £1,016.28 for external redecoration costs in the 2021-22 service charge year: see paragraph 41 above.

(2) £87.72 (2021-22), £78.54 (2022-23) and £94.86 (2023-24) for garden maintenance costs: see paragraph 53 above.

(3) £856.44 for management fees in the 2023-24 service charge year: see paragraphs 42 and 60 above.

Other than the above, the Tribunal finds the service charges challenged in the application are payable.

70. The Tribunal makes no order under s.20C LTA 1985 or para 5A of Sch.11 to the 2002 Act.

## 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 [rpsouth-ern@justice.gov.uk](mailto:rpsouth-ern@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.