



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

Tribunal Case Reference	: HAV/21UC/LSC/2025/0609
Property	: Apartment 6, Sussex Mansions, Cornfield Terrace, Eastbourne, East Sussex, BN21 4NS
Applicant	: Katharine Hue Thai
Representative	: Callum McLean, counsel, instructed by Bate & Albon Solicitors
Respondent	: Gian Luca Albertoli Susana Viera Claudio Pulze Lori-Kelly Pulze
Representative	: Graeme Kirk, counsel, instructed by PDC Law
Type of Application	: Determination of liability to pay and reasonableness of service charges Section 27A Landlord and Tenant Act 1985 And transferred proceedings from the County Court
Tribunal Members	: Regional Judge Whitney Mr N Robinson FRICS Mr S Mason FRICS
Date of Hearing	: 28 October 2025
Date of Decision	: 10 February 2026

DECISION

Background

1. The Applicant applied for a determination of the liability to pay and reasonableness of service charges for the years 2022, 2023 and 2024. The Applicant further sought orders pursuant to Section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.
2. Following an Order from the County Court proceedings were transferred to the Tribunal. The Tribunal will determine all matters within its jurisdiction and this case is being administered by the Tribunal. Following that determination the Tribunal Judge will decide the issues falling solely within the jurisdiction of the County Court, sitting as a Judge of the County Court.
3. The Tribunal issued various sets of directions resulting in a hearing on 28th October 2025. The directions were substantially complied with.

Hearing

4. The hearing took place by Cloud Video Platform on 28th October 2025. Mr McLean appeared for the Applicant and Mr Kirk for the Respondent.
5. Ms Thai had applied to appear remotely from Australia. The Tribunal noted that Australia was a country which had given permission for persons to appear before English Tribunals remotely to give evidence. The Tribunal was satisfied it was in the interests of justice to allow Ms Thai to appear remotely and granted her application.
6. The Tribunal confirmed it had two electronic bundles. The first consisted of 485 pdf pages and references in [] are to that bundle. The second supplementary bundle consisted of 746 pages and pages in that bundle would be referred to as S[]. Each sides counsel had also provided a skeleton argument.
7. Below we set out a precis only of what took place at the hearing which was recorded. It was agreed that the landlord would present their

case first in respect of the service charges for the years 2022, 2023, 2024 and the budget for 2025.

8. Mr Kirk called Peter Sanders, director of the managing agents. He confirmed that his witness statement [86-103] was true and accurate.
9. Mr McLean then cross examined the witness.
10. He confirmed that the apportionment methodology at paragraph 37 of his statement [95] was what he had inherited when he took over the management of the building. Ms Thai contributed 10.02% of the service charge costs. He understood these apportionments had been applied for about 20 years.
11. He did not understand why the restaurants should contribute to parts they do not use. The figures used were given to him and he does not know where they came from. He said he could not comment on the use of two schedules. He can only go on what had been done. He understood that the service charges had always been calculated in this way and was not aware of any event which led to a change.
12. Mr Sanders stated the insurance had always been placed via Green Insurance Group S[408]. He said he would always ask for the best deal for the correct cover.
13. Mr Sanders was taken to S[741]. This was a letter he stated was sent by mail merge either by post or email. He said it would have been sent by email to Ms Thai using the email address they held. He had no further evidence to substantiate this being sent.
14. Mr Sanders explained there had been a major issue with the electricity meters. Numerous problems with estimated reading and bills therefore being too high until corrected. He said he gained no benefit from overcharging.
15. As to water, every drop used is metered between residential and commercial. The entire supply is metered with sub-meters for the restaurants and the water used by the restaurants is charged to them. The individual flats are not metered. He said a credit had been given to all flats [98].
16. When questioned re certain works and charges principally in 2023 Mr Sanders could not answer questions as he was not managing at that time.
17. In respect of lift works in 2024 [215] he stated likely to be multiple jobs. He stated the lift is very old and needs a lot of repairs. He stated the lift simply serves the flats. You enter the lift via the ground floor via the communal hallway.
18. In his opinion Ms Thai has always been in arrears.

19. The Tribunal asked certain follow up questions of Mr Sanders.
20. Mr Kirk re-examined.
21. In respect of the water usage and billing S[166] his wife was the expert on computing these figures. The restaurants pay for the water they use.
22. On questioning by the Tribunal Mr Kirk referred them to the statement of Hobdens at [250 and 251] which showed a total of £17,398.44 being due and owing as at 1 July 2025. Mr Kirk acknowledged the repetition of certain figures was an error.
23. The Tribunal adjourned for lunch. Upon resumption Mr McLean called Ms Thai.
24. Ms Thai confirmed her statement [77-84] was true.
25. Ms Thia was cross examined by Mr Kirk.
26. She confirmed her surname was “Thai” and not “Tai” as appeared in some documentation.
27. She confirmed she had not been aware of earlier court proceedings issued in 2021 which her mortgage company settled. She believed the bank had paid about £7,900.
28. Mr Kirk directed her to her statement of case [59] and paragraph 5. She stated she did get demands but they were confusing and could not make head nor tail of the same. She considered information was just dumped on her by email.
29. She confirmed she moved to Australia in 2016. She had owned the flat since 2004. She agreed that at [252] was an email she sent to Hobdens. This was her email address. She stated the information she received was not informative or clear. She stated that she found everything so confusing that she just shut down.
30. She agreed she received the email of 9 February 2024 [288] attaching notice of intention. She denied receiving the letter at S[741]. Ms Thai agreed receiving the accounts for 2022 [195] but not other years.
31. She stated she was bombarded with demands and did not know what she was meant to pay. She believed the apportionment was wrong and that matters were improperly allocated between internal and external matters. In her opinion many matters are applied to the internal parts whereas they should be applied to the building as a whole. Then she would accept the figures were fair and reasonable.
32. Ms Thai was questioned by the Tribunal. She confirmed the same apportionment had always been used since she purchased. She

agreed the principle. She stated when she lived in the building the lift did go to the basement.

33. Mr McLean in submissions suggested there was a lack of transparency over the apportionment. He accepts he has no alternative figures.
34. Mr McLean submitted the insurance cost is challenged. Prior to Mr Sanders taking over as manager the insurance had been substantially lower.
35. Further his client challenged the water charges, she believed the commercial parts must use more than is allocated to them although he accepted he could not explain the difference in the 2023 charge.
36. Turning to the major works he suggested all that was produced was a mail merge letter S[746].
37. Mr McLean suggested that the agents were aware Ms Thai did not live in her flat. He suggested that we should not be satisfied that the section 20 consultation had been complied with. As a result the amount recoverable should be limited to £250.
38. As to the lift he suggested that the commercial parts also benefit given it goes to the basement. Hence they should contribute. As to repairs he suggested that there was a lack of detail as to the correct allocation and therefore they should apply to the building as a whole.
39. Mr McLean accepted that in evidence Ms Thai had accepted she had received the Section 20 notice in respect of major works in 2024.
40. He confirmed he had no specific submissions re the 2025 budget sum.
41. As to the administration costs he suggested there was very little evidence as to the sums claimed. He referred to [309] and items 2, 3 and 5. He said no evidence of the same.
42. Mr Kirk then addressed the Tribunal.
43. He suggests the lease allows the landlord to amend the apportionment. In this case the evidence of the Applicant was that this method of apportionment had been in place for over 20 years. She had accepted the earlier judgement entered against her (and satisfied by her mortgage lender) which had been on that basis.
44. Mr Kirk referred to *Cos Services Limited v Nicholson* [2017] UKUT 382 (LC). he suggested that this was authority for the insurance as taken out by the Landlord unless it could be demonstrated the cost was unreasonable.

45. As to the demands and documents he suggests on balance it is more likely than not that all were sent. Ms Thai was candid in her evidence in admitting she dropped the ball due to personal issues.
46. Turning to the lift he suggested there was a dispute of fact which we would have to determine. Mr Sanders was adamant the lift did not go to the basement but ended on the ground floor.

Decision

47. We thank both counsel for their considered submissions.
48. We remind ourselves that as a Tribunal it is our role to determine what sums are payable and if payable whether such sums are reasonable.
49. In so doing we take account of all the documents within the bundle and in particular those referred to us by the parties. We take particular account of the oral evidence given.
50. We have considered the lease [14-31]. It is agreed that the lease requires the Applicant to pay to the Respondent the service charge. The initial percentage on granting of the lease in 2002 was said to be by reference to floor areas subject to variation as set out in clause 7 of the Third Schedule [30].
51. It was the evidence of Mr Sanders that in all the time he had been involved in the management which began in 2018 the apportionment had been on the basis of two schedules: an internal (excluding the commercial parts) and external (which included the commercial parts). Ms Thai in her evidence confirmed she had owned her flat since 2004 and throughout the totality of her ownership the service charge had been apportioned in this way.
52. Mr Kirk also invited us to take account of the fact there had been earlier proceedings which had not been challenged by Ms Thai and so she was bound by this method of apportionment.
53. We find as a matter of fact that since 2004 the service charge has been apportioned on the basis that there are internal and external schedules. We find that at some point prior to Ms Thai's purchase the service charge was varied using the mechanism as set out in the Third Schedule of the lease.
54. We have stood back and considered whether such apportionment is fair and reasonable. We note there was little evidence challenging the same. We find as a matter of fact that the method adopted by the Respondent and their managing agents is a fair and reasonable method of apportioning service charges.
55. We dismiss the Applicants challenge to the method of apportionment adopted by the Respondent.

56. We note that certain payments and credits have been made. We observe that the question of the account and the matters actually owing will be a matter to be determined by the county court. In preparing this decision we limit ourselves to those matters within the Tribunal's jurisdiction.
57. We turn now to the question of whether or not demands were sent to the Applicant. As was highlighted by Mr Kirk the Applicant was candid in her evidence. She referred to feeling overwhelmed but accepted that she had received emails. On occasion she had not felt able to deal with the same and had in our judgment shut her mind to the receipt and consequences of the same. We find on the evidence before us that all of the sums were demanded of Ms Thai by email. We find as a fact Ms Thai did receive the emails.
58. At the same time we consider the service of notices in compliance with section 20 of the Landlord and Tenant Act 1987. Again Ms Thai candidly admitted receipt of certain notices. Mr McLean suggested that the evidence of Mr Sanders as to the mail merge S[741] was not satisfactory and we should not be satisfied on balance as to the same. We disagree. We are satisfied with the explanation given orally in evidence by Mr Sanders and find that the mail merge letter was emailed to Ms Thai. We find on balance of probabilities Ms Thai did receive the same and this was again an email she felt unable to deal with at the time. We are satisfied that the Respondent did at all times conduct proper consultation as required for major works.
59. We considered whether or not all the costs were properly allocated to the correct schedule. We deal here with the general argument and will determine the specific claims raised separately below. We note that on behalf of the Applicant it is suggested that costs were not always properly allocated. However, on a balance of probabilities we were not satisfied that there was any improper allocation and prefer the evidence of Mr Sanders and the documents, including those in the supplementary bundle, that all costs were properly allocated.
60. The Applicant challenged the insurance. It was submitted that the costs had risen when Mr Sanders became the manager in 2018. We remind ourselves we are looking at service charges from 2022 onwards. Further it is suggested that the insurance included items which were not required or only benefited the Respondent. Mr Kirk relied upon the case of *Cos*. We have had regard to that case and the paragraphs to which he referred. We are satisfied that it is for the landlord to place the insurance and determine the scope of the same. We note that no alternative quotes or other evidence as to cheaper insurance was produced. On balance we are satisfied that for each of the years the insurance premium obtained and charged was reasonable and insurance that the landlord was entitled to determine was required.

61. Turning now to the question of the water. We note the Respondent accepts a credit was required. The bundles contained breakdowns as to how the costs were apportioned between the flats and the commercial parts. We accept the evidence of Mr Sanders that the water used by the commercial restaurants is metered and they are charged for their own usage with the balance being charged as a service charge expense to the flats. We accept the calculations provided and find the Respondent has only charged to the flats the water used by them and that this is then apportioned as an internal expense. We find that this is a reasonable method of determining the correct apportionment of the water charges.
62. We must determine the question as to whether or not lift expenses should be allocated to the internal or external schedules. A photograph of the building is at [105]. It is said on the ground floor and basements are the two commercial units. The upper parts include 14 residential apartments of which the Applicants is one. At paragraphs 6 of his statement [87] Mr Sanders describes the building.
63. Mr Sanders in his evidence stated that the lift begins on the ground floor servicing the residential floors above. Ms Thai stated that she recalled that the lift went to the basement. Ms Thai moved to Australia in 2016. Mr Sanders has visited the property more recently. In our experience we would not expect the lift to go to the basement. On this point we prefer the evidence of Mr Sanders who will have visited more recently and find the lift did not extend to the basement and that the costs are correctly apportioned to the internal schedule.
64. We note that Ms Thai within her statement of case and witness statement did raise other areas of challenge. These were not substantially developed at the hearing. We have however read all and considered each individually. We find that on a balance of probabilities we are satisfied that all charges levied by the Respondent are reasonable and have been properly apportioned.
65. Mr McLean made no specific submissions as to the budget sums for 2025. We have considered the same and are satisfied that these are reasonable budget sums to be paid by the Applicant.
66. We find that all of the sums claimed for each of the service charge years in dispute being 2022, 2023, 2024 and the budget for 2025 are reasonable and payable by the Applicant in the sums claimed.
67. We turn to the administration charges. To be clear these are the amounts set out in paragraph 2 and 3 of the Respondent's particulars of claim [309].
68. We deal firstly with the contractual costs. We find that no demand has been issued for this sum and there is no proper breakdown of the amount. Whilst it is said to be contractual costs it is in our judgment

an administration charge. As such it must be demanded and we are entitled to be satisfied that the sum claimed is reasonable. The Applicant has challenged all such sums. We find that the sum of £2,100 claimed is not payable by the Applicant as an administration charge.

69. Turning to the sum of £1487.01 in respect of administration charges we note that the statement supplied (including the one provided after the hearing at the request of the Tribunal) contains various sums. The first three items claimed on 1 January 2022 are in our judgment items which were included or should have been included in respect of the previous court proceedings settled by the Applicant's mortgage lender and so are not payable.
70. Other sums appear to have been incurred over the years and are what may be said to be debt collecting costs due to the failures by the Applicant to make payment for all sums claimed. We find that these were demanded along with the service charge demands and so on the face of it are payable.
71. However the Applicant has challenged these sums and Mr Sanders was unable to give a clear explanation of how the costs were incurred and what was covered. We note that we have seen no invoices or the like. The costs refer to various matters including "Late Payment Letter" and "Instructing solicitor". We observe until the court proceedings joined with this application there was no evidence of instruction of a solicitor. We are satisfied the following are payable:

2 Feb 2023 Late payment letter £60

17 May 2023 Late payment letter £60

28 Feb 2024 Late payment letter £66

Total £186

Conclusion

72. We find that the Applicant is required to pay the service charges as demanded for the years 2022, 2023, 2024 and the budget amount for 2025. On top of these sums we find she is liable to pay £186 by way of administration charges.
73. We now refer this matter back to the county court.
74. The parties shall within 21 days send to the Tribunal office any dates to avoid for the next three months and thereafter the Tribunal Judge, sitting as a Judge of the County Court, shall list the matter for a final

hearing to determine any remaining issues including costs in the country court. Either party may request any further directions they consider necessary.

RIGHTS OF APPEAL

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to rpsouthern@justice.gov.uk
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.