



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

Case reference	:	LON/00AB/LSC/2025/0911
Property	:	Fuchsia House, 4 Panyers Gardens, Dagenham, Essex RM10 7FF
Applicants	:	Catherine Barker (Lead Applicant) and other leaseholders of Fuchsia House
Representative	:	Catherine Barker on behalf of herself and the other Applicants
Respondent	:	FirstPort Property Services Ltd
Representative	:	Mr Liberadzki (Counsel)
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	:	Ms S Beckwith MRICS Judge Purcell Mr N Miller
Venue	:	10 Alfred Place, London WC1E 7LR
Date of decision	:	23 February 2026

DECISION

Decisions of the tribunal

- (1) The tribunal makes the determinations as set out under the various headings in this Decision.
- (2) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord's costs of the tribunal proceedings may be passed to the lessees through any service charge.
- (3) The tribunal determines that the Respondent shall pay the Lead Applicant £341 within 28 days of this Decision, in respect of the reimbursement of the tribunal fees paid by the Applicant.

The application

1. The Applicants seek a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") as to the amount of service charges and (where applicable) administration charges payable by the Applicant in respect of the service charge years 2022, 2023 and 2025.
2. Directions were issued on 25 July 2025 and subsequently amended on 29 September 2025 and 19 November 2025.
3. The Application was originally made by Ms Barker of Flat 3. By an Order dated 4 November 2025, Judge Nicol added the following as Applicants (to be represented by Ms Barker):
 - Sabina Olaleye (Flat 1)
 - Selina Faizul Mirza & Faizal Ibrahim (Flat 2)
 - Arun Natesa (Flat 4)
 - Amass Property Ltd (Flat 5)
 - Marco da Silva Azevedo & Aneta Kepa (Flat 6)

The hearing

4. A hearing took place on 9 February 2026. It was attended by:
 - Ms Barker on behalf of the Applicants.
 - Mr Liberadzki on behalf of the Respondent.
 - Mr Shahreya from FirstPort Property Services Ltd (FirstPort), the current manager of the Property.
5. The tribunal had been provided with the following:

- a bundle of 821 pages
 - a skeleton argument from the Applicant
 - a summary schedule of electricity charges provided by the Applicant
 - an updated Scott schedule from the Respondent
 - a Section 20B notice relating to the 2022 accounts
 - invoices relating to works to the heating system in 2024
6. Within the bundle, the Lead Applicant has numbered the specific invoices that she challenges and those document numbers are referred to in this decision. Numbers in square brackets relate to the relevant pages in the bundle.

The background

7. The Property which is the subject of this application is a purpose-built three storey block of six flats, two on each floor, known as Fuchsia House. There is a communal heating and hot water system. Within the development are two houses. Service charges for Fuchsia House are split between an internal schedule (the six flats only) and external (the six flats plus two houses).
8. In the wider development, next to the Property is another purpose-built block of nine flats known as Tulip House. Some services within the budgets and accounts are treated as shared between Fuchsia and Tulip House and apportioned between the two blocks.
9. Photographs of the building were provided in the hearing bundle. 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.
10. The Applicants each hold a long lease of a flat within the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. A copy of the lease for Flat 3 was included in the bundle [30-60]. The specific provisions of the lease will be referred to below, where appropriate.
11. The service charge accounts for the 2022 service charge year were issued to the Applicants on 30 September 2024. The accounts for the 2023 service charge year were issued on 28 March 2025.
12. Ms Barker had, before bringing tribunal proceedings, attempted to elicit answers to questions about the service charges firstly through a request under Section 22 of the 1985 Act and then via a formal complaint as per the Respondent's complaints procedure. Evidence of that correspondence is included in the bundle.

The issues

13. At the start of the hearing the parties identified the relevant issues for determination as follows:
- (i) The payability and/or reasonableness of service charges for 2022 relating to works to the heating system, water and sewerage charges, communal electricity and grounds maintenance.
 - (ii) The payability and/or reasonableness of service charges for 2023 relating to works to the heating system.
 - (iii) The payability and/or reasonableness of service charge items within the budget for 2025 relating to prior years items.
14. Prior to the hearing the parties had agreed:
- (i) Document 1 - Invoice 2248089 [102] dated 09/09/2022 in the amount of £583.20 is not payable by the leaseholders through the service charge.
 - (ii) Document 2 - Invoice 34604 [103] dated 29/09/2022 in the amount of £504 is not payable by the leaseholders through the service charge.
 - (iii) A discrepancy with Document 8 - Invoice 00 219936_86 [109] dated 29/06/2022 in the amount of £276.83 has been satisfactorily resolved via the 2023 accounts.
15. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made determinations on the various issues as follows.

Works to the heating system in 2022

16. The Applicant challenges the following invoices:

Doc No / Page	Invoice No.	Description	Amount	Invoice Date
3 [104]	32474	Balancing and commissioning of heating systems	£1,590.00	15/03/2022
4 [105]	32484	No hot water or heating	£1,166.40	15/03/2022
5 [106]	32470	Works to restore heating in Fuscia House	£1,590.00	15/03/2022

6 [107]	32471	Further works to restore heating	£1,590.00	15/03/2022
7 [108]	32472	Additional works to communal boilers	£1,590.00	15/03/2022
23 [143]	32473	Additional works to communal boiler system	£1,590.00	15/03/2022

17. Documents 3-7 were included within the 2022 service charge accounts. Document 23 was included within the 2023 accounts.
18. Ms Barker challenges these invoices on the basis that it is not clear what the invoices are for and why there are six different invoices all dated the same date, five of which are for the same amount. Ms Barker confirmed that she and the other leaseholders at Fuchsia House did not make call outs to report the heating system was not working during February and March 2022. There is no record of any call outs within this time period on their property management portal. She confirmed that major works were done to the system in 2021. She has a record of an issue with the system in April 2022 which did result in a call out. She has not disputed the associated invoice.
19. Ms Barker has also been advised by FirstPort that some of the works to the heating system related to portable expansion vessels [157]. This work totalled £3,673.20 and *“should’ve been split between the two blocks”*. Ms Barker challenges the invoices on the basis that this hasn’t been done.
20. The parties agree there have been no Section 20 consultations or an application to dispense with the consultation requirements under Section 20ZA of the 1985 Act. Ms Barker argues that payment should therefore be limited to £250 per leaseholder.
21. Mr Shahreya became the property manager at the end of 2024, so does not have first-hand knowledge of the issues at the Property or the major works undertaken in 2021. He states that FirstPort’s records show that there were several heating and hot water issues over the period of February and March 2022. These were separate ad-hoc works, not one larger piece of work. A lack of heating/hot water would be seen as an emergency and therefore needing to be dealt with urgently, without the time for a Section 20 consultation.
22. He suggests that the invoices related to six separate pieces of work. The invoices state that the work took place in Fuchsia House and therefore the invoices should not be split between Fuchsia and Tulip House. He believes the works referred to by his colleagues in correspondence with Ms Barker (which they stated totalled £3,673.20), were different, not relating to the invoices being challenged as per the table at paragraph 16.

23. Mr Shahreya could not give any further information than the description on the invoices as to what that work was. He could not explain the basis on which the charges were calculated.

The tribunal's decision

24. The tribunal determines that Document 3 (Invoice 32474) is payable. The amount payable by each leaseholder is £250. All other invoices are not payable.

Reasons for the tribunal's decision

25. We found Ms Barker to be credible and reasonable and believed her statements that there had not been issues with the heating system reported by the leaseholders which would warrant the heating needing to be "restored". The Respondent was not able to provide any evidence to substantiate the works required. The tribunal therefore determined that Document 4, 5, 6, 7 and 23 are not payable.
26. In respect of Document 3, the tribunal considered that balancing and commissioning of the system was work that would not require a call out and is work that could reasonably be expected to be done.
27. Under Section 20 of the 1985 Act, if any works will result in any leaseholder paying more than £250, a consultation is required. An application to dispense with the consultation requirement of Section 20 can be made, for example in the case of urgent works. No such application has been made by the Respondent. In the absence of a Section 20 consultation or tribunal determination for dispensation from consultation under Section 20ZA, the amount payable by each leaseholder is limited to £250.

Utility water and sewerage for 2022

28. The service charge expenditure statement [227-228] shows total charges for heating/hot water to Fuchsia House as £1,134.41.
29. Two invoices were provided from Wave [110-113] in the amounts of £23.94 and £24.12. At the hearing the Respondent explained that these were for the bin store and separate to the supply to Fuchsia House itself. The Applicant accepted this and therefore that these charges were reasonable.
30. The expenditure statement provided includes both Fuchsia and Tulip House, has payments to several different companies and states "split as per budget split". It is not possible to tell which charges relate to which property or how the split has been calculated. The statement appears to

show a monthly payment to NWL and ESW Water of between £102-£155.

31. The Respondent has not been able to provide invoices for 2022 because it pays by direct debit. Document 37 [290] is a water bill from Essex and Suffolk Water for the period 14 July 2023 to 9 January 2024. It shows charges totalling £209.44. The invoice specifically states that no payment is required because the account balance as at 13 July 2023 is £12,564.24 in credit.
32. The Applicant extrapolates this bill for six months to calculate that the annual water usage would amount to approximately £400. The Respondent is charging the leaseholders over £1,000, which is a significant overcharge.
33. Ms Barker confirms that this bill is for the communal heating system only. The leaseholders pay for their own cold water supply individually.
34. Mr Liberadzki submits that an absence of an invoice does not mean that there has been no supply. The supply has been provided. Given that the Property comprises six flats, £1,000 annually is a reasonable amount for a communal system.

The tribunal's decision

35. The tribunal determines that the amount payable in respect of water charges (payable to Essex and Suffolk Water) for Fuchsia House is £0.

Reasons for the tribunal's decision

36. The Respondent pays Essex and Suffolk Water by direct debit. This has resulted in a substantial credit being built up on the account. This is not something that any reasonable person managing their own bills would allow to happen.
37. The statement provided confirms that the credit in July 2023 exceeds £12,500. It is reasonable to conclude that a large credit was also available on the account throughout 2022. It is not reasonable to charge the leaseholders for water when there is a credit capable of covering the charges on the account.

Communal area gas for 2022

38. The total cost of gas charged to Fuchsia House for 2022 is £8,276.50. The Applicant has provided a helpful breakdown of the invoices for these charges at Appendix 1.

39. There are two invoices, Documents 12 [115-116] and 15 [121-121], where the amount on the invoice does not match what is on the Respondent's analysis [268]. One is higher, one is lower.
40. Whilst the majority of invoices have a fixed cost per day of £0.57, two, Document 13 [117-118] and Document 14 [119-120], state £11.95. These two invoices have a charge per kwh of 0.247, compared to the majority which are charged at 0.042. Additionally the calculations on Document 13 are incorrect. The time periods on Document 13 and 14 overlap with the Document 12 [115].
41. Under the analysis of service charge expenditure [268] all charges related to Fuchsia House and Tulip House have been listed and the charges then split between the two blocks. The split is unknown. Each property has its own meter and invoices are issued per meter. Ms Barker argues that each block should be charged based on its own meter. The invoices issued are based on estimated readings, therefore the actual consumption for 2022 is not known.
42. Mr Shahreya was not the property manager in 2022 and does not know why meter readings were not taken. He now takes regular meter readings. He could not however advise how recent meter readings compared to those on the 2022 invoices.
43. Mr Shahreya has no knowledge of these invoices and cannot explain the overlapping time periods, different fixed and per kwh costs and incorrect figures. He explained FirstPort's system whereby invoices are processed on the system and approved by the property manager. Accounts are prepared internally.

The tribunal's decision

44. The total payable in respect of communal area gas for 2022 is £3,795.10.

Reasons for the tribunal's decision

45. There are separate meters for Fuchsia House and Tulip House. The service charges should be based on actual consumption at the Property, as per the meter and the invoices, rather than a notional split. The tribunal notes that the invoices are based on estimated readings. We assume that any balance will be rectified with the 2025 charges now that actual readings are being taken regularly.
46. The tribunal finds that invoices termed Document 13 [117-118] and Document 14 [119-120] are inaccurate, unsupported and therefore not reasonable.

47. The tribunal determines that the amounts shown on the other invoices are the correct amounts to be paid (not those allocated in FirstPort's schedule).

Doc No. / Page	Period	Invoice Amount
12 [115-116]	18/10/21 – 28/02/22	£1839.99
15 [121-122]	01/03/22 – 31/03/22	£403.13
16 [123-124]	01/04/22 – 30/04/22	£334.30
17 [125-126]	01/05/22 – 31/05/22	£242.34
18 [127-128]	01/06/22 – 30/06/22	£145.82
19 [129-130]	01/07/22 – 31/07/22	£82.43
20 [131-132]	01/08/22 – 31/08/22	£82.43
21 [133-134]	01/10/22 – 31/10/22	£664.66
Total		£3,795.10

48. Other amounts shown on the Applicant's schedule relate to accruals and credits. The tribunal cannot make decisions on accounting.

2021 grounds maintenance in 2022 accounts

49. Document 22 [135] is an invoice titled "REPLACEMENT ORDER (do not attend site without checking work is still needed). Old PO No 1020930 AMC 39566 Landscaping 01/01/2021 31/12/2021". The total amount is £2,265.60.
50. When Ms Barker questioned this invoice, she was advised by FirstPort [167] that it was one-off works, additional to the monthly contract. She adduced photographs showing no major changes to the landscaping happened in 2021 [136-142] and therefore does not know what was done.
51. She also submits that the invoice was dated 27 December 2021, there was no Section 20B in place, the accounts were published on 30 September 2024 and therefore the Respondent is out of time to levy these charges.
52. The Respondent explained that the invoice relates to the monthly contract for grounds maintenance for 2021. The contractor had undertaken the works but had not been paid.

53. The Respondent provided a Section 20B notice, detailing this charge with the appropriate allocation to Fuchsia House as was charged in the 2022 accounts.

The tribunal's decision

54. The tribunal determines that the grounds maintenance charge of £2,265.60 is payable as has been charged in the 2022 accounts.

Reasons for the tribunal's decision

55. Subsequent to the clarifications provided by the Respondent in the hearing, we accept that this was the annual contract for grounds maintenance and the charges were specifically covered by a Section 20B notice.

Works to heating system in 2023

56. Document 24 [144] is Invoice 35771 dated 23 January 2023 in the amount of £576. The description of works is *"Please attend as discussed on Wednesday 14th December to the issues with the communal heating system at Fuchsia House (flats 5 and 4 reported an issue). Please also inspect the system in Tulip House. Thank you"*.
57. Ms Barker has questioned the allocation of this invoice with FirstPort, who have confirmed that it relates to both Fuchsia and Tulip House, but has been fully allocated to Fuchsia House in the accounts.
58. Mr Shahreya suggested that a correction will be made in the 2025 accounts, with the split as per the usual allocation between the two blocks.
59. Ms Barker is not happy with this method, as there is no transparency. There is no information about what work was actually undertaken. The majority of work may have been undertaken in Tulip House, rather than Fuchsia House.
60. Mr Shahreya was not able to give any further information about the work undertaken.

The tribunal's decision

61. The tribunal determines that the leaseholders of Fuchsia House should pay £230.40 of Invoice 35771.

Reasons for the tribunal's decision

62. The parties agree that the invoice should be allocated between both Fuchsia and Tulip House. No detailed information has been provided to the tribunal on the nature of the works undertaken. The tribunal has also not been provided with information about the usual allocation of invoices relating to both Fuchsia and Tulip House.
63. We acknowledge that the situation is not satisfactory given the absence of information from FirstPort, however, in the absence of proper information, the tribunal finds the fairest way to split the invoice is based on the number of leaseholders. Fuchsia House has six leaseholders and Tulip House has nine. The invoice has therefore been allocated 40% to Fuchsia House (six being 40% of a total of 15 leaseholders).

Prior year's items in 2025 Budget

64. Document 25 [149] is the 2025 budget for Fuchsia House. In this budget there is an allocation of £1,000 for "prior year items". Upon raising this issue with FirstPort [212-213], Ms Barker was advised that a total of £3,492 had been allocated in the 2025 budget, both under headings of prior year items (£1,000) and general maintenance (£5,000).
65. Ms Barker argues that the leaseholder's leases do not allow previous years charges to be included in the service charge budget, which should be forward looking. There is a mechanism in the lease for reconciling the accounts to the budget and the 2024 accounts were completed in June 2025.
66. Additionally the amount of £3,492 exceeds the Section 20 consultation limit of £250 per leaseholder and no consultation took place.
67. There is no information about what the works entailed, but Ms Barker notes that it appears to relate to further works to the heating system, despite being within six months of major works having taken place. She does not believe the major works were properly inspected and signed off by FirstPort, as feedback was not requested from the leaseholders of Fuchsia House.
68. The tribunal has been provided with Invoice 150620 dated 30 May 2024 in the amount of £3,492. The description is "gas works".
69. Mr Shahreya was not able to provide any details as to what the works entailed. He confirmed that usually, if major works were undertaken to a system, any issues would be referred back to the contractor who undertook the works to rectify, but that did not happen in this case. The works undertaken were more than six months after the conclusion of the

major works. Mr Shahreya has no knowledge of a guarantee on the major works.

70. The Respondent confirmed that the works were undertaken and invoiced in 2024, but were not paid until 2025 and this is why the amount is within the 2025 budget.

The tribunal's decision

71. The tribunal finds that invoices in relation of prior year's works cannot be charged to leaseholders through the 2025 budget. Invoice 150620 is not payable by the leaseholders of Fuchsia House.

Reasons for the tribunal's decision

72. Part II of the Fourth Schedule of the Lease [53-54] sets out how service charges are budgeted and reconciled.

73. Clause 2(i) provides that

“the expenditure estimated as likely to be incurred in the Maintenance Year by the Company for the purposes mentioned in the Fifth Schedule...”

74. Clause 3 sets out how the accounts are to be reconciled:

- (a) after the end of each Maintenance Year the Company shall determine the Maintenance Adjustment calculated as set out in the next following subparagraph.*
- (b) the Maintenance Adjustment shall be the amount (if any) by which the estimate under paragraph 2(i) above shall have exceeded or fallen short of the actual expenditure in the Maintenance Year.*
- (c) the Lessee shall be allowed or shall on demand pay as the case may be the relevant Proportion or Proportions of the Maintenance Adjustment appropriate to the Demised Premises.*

75. As per the lease, invoices for works undertaken and charges incurred in 2024 should have been accounted for through a balancing charge following the 2024 accounts. The tribunal does not consider it reasonable for an allowance for “forgotten” invoices to be put into the 2025 budget. If that were acceptable, landlords would be able to allow substantial unjustified sums into the heading of prior year's items “just in case” they had missed something.

76. In this case, the items of expenditure were not specifically accounted for in the budget, with one invoice apparently split under two different

headings. Should a landlord wish to charge for prior year's invoices, they should use specific Section 20B notices so that leaseholders understand what they are being charged for.

Application under s.20C and refund of fees

77. In closing Ms Barker set out that she did not wish to have to resort to the tribunal to resolve the service charge issues, but having tried to obtain information via a Section 22 request and having exhausted the Respondent's complaint process, she had no choice.
78. In closing submissions, the Respondent's Representative argued that it should be taken into account that the Property was professionally managed.
79. The tribunal has found instances of unexplained invoices, significant credits, incorrect accounting, lack of meter readings and misleading statements being made to the leaseholders when questions were raised about the service charges. This has caused confusion and unnecessary distress to the leaseholders. Ms Barker has spent significant time meticulously going through the service charges, due to the Respondent's apparent inability to do so themselves.
80. At the end of the hearing, the Applicant made an application for a refund of the fees that she had paid in respect of the application/hearing¹. Having heard the submissions from the parties and taking into account the determinations above, the tribunal orders the Respondent to refund any fees paid by the Applicant within 28 days of the date of this decision.
81. In the application form and at the hearing, the Applicant applied for an order under section 20C of the 1985 Act. Having heard the submissions from the parties and taking into account the determinations above, the tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge.

Name: Ms S Beckwith MRICS

Date: 23 February 2026

¹ The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013

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).