



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

Tribunal Case Reference : LON/00AF/LSC/2025/1072

Property : Ground Floor Flat A, 103 Southlands Road,
London BR2 9QT

Applicant : Abacus Land 4 Ltd

Respondent : Archana Kamalnayan Dave

Type of Application : Payability of service charge

Tribunal : Judge Nicol
Mr S Wheeler MCIEH CEnvH

Date and venue of Hearing : 20th February 2026
10 Alfred Place, London WC1E 7LR

Date of Decision : 20th February 2026

DECISION

The service charges claimed by the Applicant from the Respondent in the sum of £3,805.15 are reasonable and payable for the reasons set out below. The case now returns to the county court to deal with all remaining matters.

Relevant legal provisions are set out in the Appendix to this decision.

Reasons

1. The Applicant is the freeholder of 103 Southlands Road which contains two flats. The Respondent is the lessee of the Ground Floor Flat.
2. In September 2024, the Applicant issued proceedings in the county court (claim no: L30LV219) against the Respondent for service and administration charge and ground rent arrears. On 5th September 2025

the court transferred the claim in relation to service charges to the Tribunal.

3. On 1st October 2025 Judge Martynski issued directions (which were amended on 2nd January 2026 to extend time). The purpose of the directions was for both parties to set out their case so that they could each see what issues were in dispute and have a fair opportunity to prepare for the final hearing.
4. The matter was heard on 20th February 2026. The attendees were:
 - Mr Max Gordon, counsel for the Applicant;
 - Ms Kathryn Parry, Head of Accounts for the Applicant; and
 - The Respondent, accompanied by two family members for support.
5. The documents before the Tribunal consisted of a bundle of 713 pages, compiled by the Applicant. Mr Gordon also provided a skeleton argument. The Respondent had not brought the bundle with her to the hearing – she said she did not know she should but it is difficult to understand why she thought that she should not. Fortunately, we were able to get through the hearing without it being an apparent problem.
6. The Respondent bought the property on 23rd March 2018. To her considerable distress and inconvenience, she found that there were extensive problems with it which hadn't been disclosed. She regarded it as uninhabitable and rented alternative accommodation until she was able, with financial help from her family, to ameliorate the situation to a degree.
7. The Respondent sought the assistance of the Applicant's agents, SDL initially and then Craig Sheehan Block Management, but found them unresponsive and unhelpful. The building insurers, Zurich, rejected her claim. She took legal advice. She said she was told that, with her upstairs neighbour not paying their service charges, works would not get done and she should not pay either. She had made an initial payment of £5,318.30 on 12th July 2019 but thereafter stopped paying her service charges.
8. The Respondent's agents carried on managing the property as far as they could. They insured the building, carried out statutory assessments for asbestos and health and safety, employed accountants to compile the annual accounts and chased payment of service charges. They also considered carrying out major works. A specification was drawn up, tenders obtained and consultation notices issued. However, the lessees did not provide any funds and so the works never happened.
9. Crucially for the Respondent, she owned and sometimes lived in a property in substantial disrepair but she did not see any actual physical maintenance being carried out and reached the view that the service charges being demanded from her could not be justified.

10. Eventually, the Respondent and her neighbour jointly exercised their Right to Manage and it took effect on 6th August 2025. This had a substantial effect on the amount being claimed in these proceedings. The largest part of the Respondent's alleged debt consisted of contributions to the reserve fund and Ms Parry compiled new figures on the Applicant's behalf stripping out all reserve fund contributions. Instead of a total for service charges of £34,223.76, the Applicant now claims £3,805.15.
11. Unfortunately, despite the Tribunal's guidance in its directions, the Respondent did not understand the limits of the Tribunal's jurisdiction or what was needed from her in these proceedings. She had taken legal advice when her problems first started but has not done so in relation to this case in particular. The Tribunal made it clear to her during the hearing that she should obtain legal advice going forward.
12. The Respondent set out her case in a schedule and a witness statement. They dealt almost exclusively with her complaint that the Applicant's agents had carried out no actual work to the property and, despite having had disclosed to her all the relevant accounts, they made no reference to any particular category of service charge. At the end of her witness statement, she set out the remedies she was seeking:

11.2 Order that all service charge demands issued to me between 2018 and 2024 be cancelled, and any associated interest or legal costs arising from those demands be withdrawn.

11.3 Order that I be reimbursed for financial losses and hardship caused by the landlord's breach of lease obligations and long-term neglect, including but not limited to:

- Rent paid while the property was uninhabitable.
- Loan amounts taken to fund repairs.
- Refund of service charge paid £518.30.
- Surveyor and solicitor costs.
- Emotional distress and damage to my health caused by prolonged mismanagement and unresolved issues.
- The council tax premium charged for the property being classed as an empty home during the period it was uninhabitable.
- Sum of £303 for set aside.

13. There were 2 fundamental problems with the Respondent's approach before the Tribunal:

- (a) In legal terms, the Respondent claims that the Applicant breached their duties to her and should pay for her losses. This is not a challenge to the service charges as such but a claim for equitable set off arising from a counterclaim (where any award to the Respondent would be set off against the Applicant's claim). The Tribunal can technically listen to claims for equitable set off but that requires the claim to be properly set out and evidenced – this did not happen here because neither party saw or prepared for this case in that way. The Tribunal explained that it did

not have the power to provide the remedies sought and the Respondent should take legal advice to see if she can get them elsewhere.

- (b) Having heard the Tribunal's explanation, the Respondent said that she did have challenges to individual service charges. Amongst the charges which Mr Gordon had explained in his submissions were asbestos and health and safety inspections. The Respondent queried them on the basis that she would have had to provide access to the property for such inspections to take place but had never done so. The problem is that this point had not been raised before she said it at the hearing. If the Applicant had known this point was going to come up, they would have had the opportunity to provide copies of the inspection reports and possibly even introduced further witness evidence to set out what they would say happened. Instead, they had to rely on the accounts and relevant invoices. The Tribunal explained that it is unfair to raise matters at the hearing but not before – the Respondent's only excuse was that she didn't know she should have raised such issues in her schedule or witness statement, although again it is difficult to see why that should be. In the circumstances, the Tribunal accepted that the invoices were sufficient evidence that the expenditure had been incurred.
14. The Tribunal cannot carry out an audit of the service charges. The Respondent needed to establish a basis for questioning the charges so that the Applicant had to justify them. She did not do so. It is not necessary to go in this decision into detail about the charges. The Tribunal is satisfied that the accounts are accurate and that the Applicant's figures are accurate after stripping out the reserve fund contributions.
15. The Respondent is liable for the outstanding service charges in the amount of £3,805.15. The directions order stated that the Tribunal would also deal with the claim for administration charges but that element was not transferred by the county court and so the Tribunal cannot do so.
16. The case now returns to the county court to deal with the remaining matters.

Name: Judge Nicol

Date: 20th February 2026

Appendix of relevant legislation

Landlord and Tenant Act 1985

Section 18

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent -
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
 - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.
- (3) For this purpose -
 - (a) "costs" includes overheads, and
 - (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

Section 19

- (1) 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 provisions 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.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

Section 27A

- (1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to -
 - (a) the person by whom it is payable,
 - (b) the person to whom it is payable,
 - (c) the amount which is payable,
 - (d) the date at or by which it is payable, and
 - (e) the manner in which it is payable.
- (2) Subsection (1) applies whether or not any payment has been made.
- (3) An application may also be made to the appropriate tribunal for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to -
 - (a) the person by whom it would be payable,
 - (b) the person to whom it would be payable,

- (c) the amount which would be payable,
 - (d) the date at or by which it would be payable, and
 - (e) the manner in which it would be payable.
- (4) No application under subsection (1) or (3) may be made in respect of a matter which -
 - (a) has been agreed or admitted by the tenant,
 - (b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,
 - (c) has been the subject of determination by a court, or
 - (d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.
- (5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.