



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

Case Reference : HAV/43UF/LIS/2025/0014

County Court Claim No: : L7QZ096F

Property : Flat 3, 9-11 Brighton Road, Hooley,
Coulsdon, Surrey CR5 3EJ

Applicant : Mr Mohammed Anwarullah Sharif

Representative : Lazarev Cleaver LLP

Respondent : Mr Simon Richard Leahy and Mrs Nicola
Jane Leahy

Representative :

Type of Application : Determination of liability to pay and
reasonableness of service charges
Section 27A Landlord and Tenant Act 1985

Tribunal Members : Tribunal Judge C Skinner
Ms C Barton MRICS
Ms T Wong

Date of Hearing : 17 February 2026

Date of Decision : 10 March 2026

DECISION

SUMMARY OF DECISION

- a. The Tribunal finds that the service charges for years ending 2019, 2020, 2021 and 2022 as set out in paragraph 38 of this Decision are reasonable and reasonably incurred for the purposes of section 19 Landlord and Tenant Act 1985.**
- b. The Tribunal finds under Section 27(A) Landlord and Tenant Act 1985 that the service charges for years ending 2019, 2020, 2021 and 2022 as set out in paragraph 38 of this Decision are payable by the Respondent to the Applicant in the sums claimed.**
- c. The Tribunal dismisses the Respondent's application under Section 20C Landlord and Tenant Act 1985 and Paragraph 5, Schedule 11 Commonhold and Leasehold reform Act 2002.**
- d. The matter is to be transferred back to Croydon County Court for further directions and determination of all outstanding issues that fall under the jurisdiction of the County Court.**

Background

1. The Applicant is the freeholder and landlord of Flat 3, 9-11 Brighton Road, Hooley, Coulsdon, Surrey CR5 3EJ ("the Property"). The Property is let to the Respondents under a lease dated 29 November 2006 between (1) Mohammed Anwarullah Sharif and Farzana Sharif and (2) Michale Keith King ("the Lease"). 9-11 Brighton Road, Hooley, Coulsdon, Surrey CR5 3EJ ("the Building") is also owned by the Applicant. The Applicants current appointed managing agents are Urang Property Management ("Urang").
2. The matter was initially issued as a money claim online and was referred to the County Court sitting at Croydon. The Applicant's claim being for alleged service charge arrears, administration charges and ground rent, claimed payable under a lease held by the Respondents.
3. Summary Judgement was initially obtained by the Applicant, however the Respondents made an application dated 11 June 2024, supported subsequently by a Witness Statement from Simon Leahy dated 4th November 2024, to have that judgement set aside. At a hearing on 21 May 2025, the application was granted and further directions made.
4. On 21 May 2025, Deputy District Judge Mohabir made an order transferring the Applicant's **Claim only** to be referred to the First Tier Tribunal Property Chamber for determination under the Tribunal's jurisdiction. The order did not transfer any other element of the matter to the Tribunal for determination, the order specifically staying the Counterclaim lodged by the Respondents until such time as the Tribunal has determined the Applicant's Claim.

5. Subsequent to the above Order, the Respondents filed a Defence and Counterclaim within those County Court proceedings dated 18 June 2025. The Applicant filed and served a Reply to that Defence and Counterclaim dated 16 July 2025.
6. The Order transferring the matter to the Tribunal restricts the Tribunal to only determine the liability to pay and reasonableness of services charges being claimed by the Applicant. The Claim seeks a determination for charges covering service charge years ending 2019, 2020, 2021 and 2022 (“the Application”).
7. The Respondents disputed liability to pay those service charges in their Defence on the basis they have not been properly demanded in accordance with the Lease, are excessive and in breach of Section 20 Landlord and Tenant Act 1985 statutory requirements.
8. On 21 October 2025, the Tribunal gave further directions in the matter. Those directions listed the matter for a final hearing on 17 February 2026 to take place at the Havant Justice Centre.

The Hearing

9. On 13 February 2026, the Respondents made a case management application seeking to adduce 2 further witness statements along with exhibits and further documentation relating to a Right to Manage claim for the Property and insurance documentation.
10. In light of the application being made shortly before the final hearing, the Tribunal considered this case management application as a preliminary issue at the hearing.
11. The Applicant was represented at the hearing by Mr Moss of Counsel. Mr Simon Leahy represented the Respondents. Also present was Mr Daniel Kempner, a Senior Property Manager for Urang Managing Agents as a witness for the Applicant. Mr Mironeko attended from the Applicant’s instructing solicitors.
12. The Tribunal heard live evidence during the course of the hearing from Mr Kempner and from Mr Simon Leahy. No other witnesses attended the hearing.
13. The Tribunal had been provided with a determination bundle by the Applicant, consisting of 385 pages. The Applicant has also provided an Index to the determination bundle. The Tribunal had read the bundle and all associated material and evidence. References in this decision to page numbers in the bundle are indicated as [].
14. It came to light at the start of the hearing that the Applicants had submitted a Skeleton Argument, supplemental bundle and bundle of authorities in advance of the hearing. Those documents had not been

provided to the panel. After making enquires of the court staff, it was confirmed they had been sent to the Tribunal and the Respondents on the afternoon of 13 February 2026 in accordance with an approved Case Management Application to file those documents by 13 February 2026. A copy of the documentation was accordingly made available to the Tribunal at the start of the hearing.

15. The lack of mention of any particular document or submission should not be regarded as indicating that it has not been taken into account. The Tribunal has focused on the key issues identified that require determination. In writing this decision the Tribunal has had regard to the Senior President of Tribunals Practice Direction – Reasons for Decisions, dated 4 June 2024.

The Law

16. Section 19 of the Landlord and Tenant Act 1985 reads as follows:

19 Limitation of service charges: reasonableness.

(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 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.*

(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.

17. Section 20B of the Landlord and Tenant Act 1985 reads as follows:

20B Limitation of service charges: time limit on making demands.

(1) If any of the relevant costs taken into account in determining the amount of any service charge were incurred more than 18 months before a demand for payment of the service charge is served on the tenant, then (subject to subsection (2)), the tenant shall not be liable to pay so much of the service charge as reflects the costs so incurred.

(2) Subsection (1) shall not apply if, within the period of 18 months beginning with the date when the relevant costs in question were incurred, the tenant was notified in writing that those costs had been incurred and that he would subsequently be required under the terms of his lease to contribute to them by the payment of a service charge.

18. Section 27A of the Landlord and Tenant Act 1985 reads as follows:

27A - Liability to pay service charges: jurisdiction

(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.*

19. Section 20C of the Landlord and Tenant Act 1985 reads as follows:

20C - Limitation of service charges: costs of proceedings.

(1) A tenant may make an application for an order that all or any of the costs incurred, or to be incurred, by the landlord in connection with proceedings before a court [residential property tribunal] or leasehold valuation tribunal [or the First-tier Tribunal], or the [Upper Tribunal], or in connection with arbitration proceedings, are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the tenant or any other person or persons specified in the application.

(3) The court or tribunal to which the application is made may make such order on the application as it considers just and equitable in the circumstances.

20. Paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 reads as follows;

Limitation of administration charges: costs of proceedings

5A (1) A tenant of a dwelling in England may apply to the relevant court or tribunal for an order reducing or extinguishing the tenant's liability to pay a particular administration charge in respect of litigation costs.

(2) The relevant court or tribunal may make whatever order on the application it considers to be just and equitable.

(3) In this paragraph—

(a) “litigation costs” means costs incurred, or to be incurred, by the landlord in connection with proceedings of a kind mentioned in the table, and

(b) “the relevant court or tribunal” means the court or tribunal mentioned in the table in relation to those proceedings.

Scope of Determination

21. In light of the way the matter has been transferred to the Tribunal from the County Court, it is clear that the Tribunal’s role must be to focus on the relevant jurisdiction it has and only apply the relevant law above to the sole issue before it, namely the determination of the reasonableness and payability of the service charges in dispute.
22. It is entirely understandable where the parties are engaged in wider litigation that they have advanced competing arguments that relate to the entire dispute they are seeking to resolve. That has meant arguments being pursued that span across the different jurisdictions of the Tribunal and the County Court.
23. As indicated above, the Tribunal’s role is solely to determine the service charge element of the dispute, based on the admissible evidence before it at the date of the hearing. Arguments and evidence that the Tribunal has received that relates to the wider litigation and issues falling under the jurisdiction of the County Court, may be of relevance upon the return of the matter to the County Court but the Tribunal in reaching its decision has focused on the sole issue before it under its jurisdiction.
24. The Defence submitted by the Respondents [11-16] and the response to the Scott Schedule [380-381] set out the basis of the Respondents arguments why the service charges in dispute are not reasonable. The response to the Scott Schedule indicating a view that they are unfair and the reasons for that are set out in the witness statements of Simon Leahy and Robert Topoloski.
25. The Defence raises several arguments including that the charges have not been raised in accordance with the Lease, non-compliance with Section 20B Landlord and Tenant Act 1985, the management charges are excessive and that no exterior works have been undertaken.
26. Because of the nature of the Respondents’ Counterclaim in the County Court proceedings, there are then wider submissions within the pleadings and statements that are linked to allegations of the Applicant breaching its obligations under the Lease and failures by Urang (the Landlord’s Managing Agent) in their conduct managing the Property and block within which it is situated.

27. Whilst the Tribunal understands why these arguments and submissions are within the bundle before it and why submissions have been raised at the hearing on these issues, where they relate to disputes under the Respondents' Counterclaim in the County Court, the Tribunal makes no findings on those issues given they clearly fall outside the jurisdiction of the Tribunal and must remain as issues for determination by the County Court.

Preliminary Issue – Case Management Application

28. As a preliminary issue, the Tribunal considered a Case Management Application made by the Respondent to adduce late evidence. This included two further short witness statements, one from Mr Pawel Kiewlak of Flat 2, 9-11 Brighton Road and one from Mr Constantine Zouroudis of Flat 4, 9-11 Brighton Road.
29. The Case Management Application also sought to adduce late evidence of various emails between Constantine Zouroudis and Heidi Zouroudis and Urang from June to November 2023, an email dated 12 February 2026 to the Respondent pursuant to a Right to Manage claim and copies of insurance documentation.
30. The Respondent acknowledged these documents were late and advised the Tribunal they had only recently come into his possession. That was the reason they had not been submitted previously. On a visit to the Property, the Applicant claimed he had been approached by the owners of Flat 2 and Flat 4 and after discussion, they agreed to provide statements in support of his objections to the service charges.
31. The Respondent also set out how the emails demonstrated others raising concerns and queries over the management of the block and Urang's performance as managing agent. The Right to Manage claim demonstrating the lengths the flat owners were now going to because of the poor management. The insurance documentation and an "explanatory note" setting out submissions from the Respondent over the adequacy of the insurance provided by the landlord also seeking to show the landlord had not procured appropriate insurance for the Property as required under the lease.
32. The admission of the late evidence was objected to by the Applicant. In summary the objection was based on the material clearly being late and well outside the directions previously given in the matter. That meant the Applicant had not had a full opportunity to review the material. Secondly, the material was irrelevant in the Applicant's view with the statements containing bare assertions and general allegations that weren't properly particularised. The email chain and Right to Manage documents were not relevant and the insurance documentation was already within the bundle, the "explanatory note" effectively being the Respondents' submissions on the same.

33. The Tribunal considered the arguments from the parties and considered Rule 3 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.
34. The Tribunal determined that on balance it would allow the Respondent to adduce the 2 witness statements. This was on the basis that the statements were fairly short and therefore in terms of proportionality, did not over complicate the matter and were provided to attempt to assist the Tribunal in determining the application before it. The Tribunal is benefitted by having evidence available to it when determining matters and on balance, whilst there was undoubtedly some prejudice to the Applicant by the late submission of these statements, that prejudice was not so significant it prevented them from being permitted, especially in light of the Applicant being of the view the material within the statement was irrelevant and did not support the Respondents' arguments in any material way.
35. The Tribunal declined to allow the email chain and the RTM documentation to be adduced. The Tribunal agreeing with the Applicant that these documents were not relevant to the issues for determination by the Tribunal and therefore there was no reason or benefit to them being placed before the Tribunal.
36. The Tribunal confirmed the insurance documents did not need to be permitted into evidence as they were already located within the bundle [337-343] and the "explanatory note" explaining the Respondents' views on those insurance documents should be presented as submissions by the Respondent where appropriate rather than through a document.

The Disputed Service Charges

37. The disputed charges are set out in the Scott Schedule. Copies of the relevant demands were provided in the bundle. They are as follows:

Service Charge Year ending 24.12.2019

Demand dated 03.10.19 (Period 01.08.19 to 24.12.19)	£679.58
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Service Charge Year ending 24.12.2020

Demand dated 23.01.20 (Period 25.12.19 to 24.06.20)	£747.50
Demand dated 20.05.20 (Period 24.06.20 to 24.12.20)	£747.50

Service Charge Year ending 24.12.2021

Demand dated 02.02.21 (Period 25.12.21 to 23.06.21)	£778.75
Demand dated 02.06.21 (Period 24.06.21 to 24.12.21)	£778.75

Service Charge Year ending 24.12.2022

Demand dated 06.12.21 (Period 25.12.21 to 23.06.21)	£801.47
Demand dated 21.12.21 (Administration Charge)	£300.00
Demand dated 10.05.22 (Period 24.06.22 to 24.12.22)	£801.47

The Parties' Submissions and Evidence

38. The Applicant's position was set out in the skeleton argument and in summary submitted that the disputed demands had been charged in accordance with the provision of the Lease. Payment of those demands was not conditional upon any condition precedent under the Lease. As far as the Respondents' general allegation that the demands were unreasonable for the purposes of section 19 Landlord and Tenant Act 1985, the Applicant argued there was no evidential basis to support that allegation beyond a bare assertion.
39. The Applicant submitted that many of the allegations the Respondent claimed were linked to the reasonableness of the demands, were actually arguments around the Landlord's performance and compliance with obligations placed upon the Landlord under the Lease. As such, those were arguments for the County Court and determination of the Counterclaim and not relevant issues for the Tribunal's purpose.
40. The Applicant set out that whilst not clear if the Respondent was still pursuing the argument under the Defence that the demands were in some way limited by Section 20B Landlord and Tenant Act 1985, if such an argument were being pursued it was plainly wrong and Section 20B was of no relevance to the demands being disputed.
41. The Applicant's evidence was set out in the bundle and included, to the extent relevant to the Tribunal's jurisdiction, pleadings and statements filed in the County Court proceedings along with witness statements submitted to the Tribunal. This included a witness statement and associated exhibits from Greg Lazarev dated 04.11.2024 and two statements from Daniel Kempner and associated exhibits dated 01.12.2025 and 19.01.2025.
42. Mr Kempner gave evidence to the Tribunal, confirming his position and role with Urang. He confirmed from his review of the matter and inspection of the relevant invoices, the Applicant had incurred the charges set out within the "Expenditure: Service Charge and Reserve Fund" as exhibited to his statement [330-336].
43. In respect of concerns the Respondent had raised over the suitability of the insurance cover put in place by the Applicant, Mr Kempner did not have direct knowledge of the 2019 policy subject to challenge. He attempted to assist the Tribunal by offering a view on how it may have operated. He confirmed that the accounts for that period showed ultimately no charge had been passed onto the Respondent for any insurance premium under the disputed policy.

44. Mr Kempner confirmed the certified accounts supplied by the Applicant in a supplemental bundle had been prepared by M.E. Ball & Associates Limited who were independent to Urang. He confirmed these certified accounts were produced in compliance with the Lease but were separate documents to the budgeted demands and the production of those accounts was not a prerequisite condition for payment of those demands. He confirmed the accounts were prepared following submission of all the relevant invoices which Urang had supplied to M.E. Ball.
45. Mr Kempner took time to explain how the Lease operated with estimated budgets underpinning the demands made at the beginning of the financial year under the Lease and the accounts then balanced once actual costs were incurred and known.
46. He confirmed that Urang was instructed to compile Health and Safety risk reports including fire safety reports and these were completed annually and in accordance with any statutory requirements. What type of assessment would depend on the type of building and a view on the general risk highlighted by the reports.
47. Mr Kempner gave evidence over the level of management fees charged by Urang. Based on his experience of Managing Agents he suggested a figure of £160 per month (or £40 per unit) was probably at the lower end of charges in the market at the time. He confirmed charges today would likely be around £200 to £350 per month.
48. Mr Kempner surmised that in his opinion, those charges were not unreasonable and that Urang would have been performing management functions such as arranging for the works identified and charged for in the accounts and liaising with the Applicant and Leaseholders. He confirmed that the accounts showed in his view, ultimately only charges actually incurred were passed onto the Leaseholders.
49. Under cross examination he confirmed he had joined Urang as a Senior Property Manager on 8 September 2025 and therefore had no direct knowledge of events around the time of the disputed demands. He had reviewed all associated records and invoices but that was the extent of his direct knowledge.
50. Much of the Respondent's cross examination focused on allegations of poor performance from the Landlord and Urang. The focus of a lot of the questioning was on the alleged failure to conduct appropriate works and provide a better standard of service than had been received.
51. Mr Kempner confirmed that whilst he had seen the relevant invoices that underpinned the accounts, the Respondents had not been sent copies as they had not properly requested copies of the same within the timescales required under Section 22 Landlord and Tenant Act 1985.

52. Mr Kempner was questioned over why communal cleaning had not occurred for a period of 3 years and whether that level of service was acceptable. Mr Kempner confirmed if the Landlord did not authorise the spend or the budget was not there, then they would not incur such charges.
53. The Respondents' position in general was that they did not ultimately dispute some charges would be legitimate but that the obligation was on the Applicant to properly evidence those charges had been reasonably incurred and the costs were reasonable. If the Applicant could do that, they would pay such charges, but it was their position the charges were inconsistent and not properly supported.
54. The Respondents argued there were inconsistencies between the demands and the accounts and that they were disappointed the Applicant had not to date provided copies of the relevant invoices as that may have helped clarify some of the charges.
55. The Respondent confirmed they were not alleging that no work had taken place, but that the pictures within the bundle clearly demonstrated a building in disrepair, in need of work and the performance of both the Applicant and the managing agent was poor, to the extent that it was clear the Landlord was in breach of obligations under the Lease.
56. The Respondents' evidence was set out in the bundle and included, to the extent relevant to the Tribunal's jurisdiction, pleadings and statements filed in the County Court proceedings along with witness statements submitted to the Tribunal. This included two witness statements and exhibits from Simon Leahy dated 28.11.2024 and 28.12.2025, the witness statement of Robert Topolski dated 28.12.2025 and the witness statements of Mr Pawel Kiewlak dated 09.02.2026 and the witness statements of Mr Constantine Zouroudis dated 12.02.2026.
57. The Respondent was the only witness present to give live evidence to the Tribunal. In giving evidence, he confirmed the content of his pleaded Defence and the arguments set out at paragraph 16 of the same along with the content of his witness statements.
58. Under cross examination he confirmed his belief the Applicant had not complied with the terms of the Lease in many ways, one such example being the provision of certified accounts and that linked to the poor service of management being received generally.
59. The Respondent agreed that his written statements and response to the Scott Schedule had not identified specific parts of the demands that were challenged but argued some specifics had been identified at the hearing.
60. The Respondent agreed that where items such as communal cleaning had been incurred it was fair for the Applicant to charge for such

services but only where it was fairly incurred. The Respondent disagreed that the management fee of £160 per month was reasonable for the works undertaken by Urang in managing the building.

61. The Respondent confirmed he believed the 2019 insurance policy was a “Buy to Let” policy covering 4 separate properties and would not amount to adequate buildings insurance for the purposes of the Lease, as such that put the Landlord in breach of the Lease. He based this on information obtained from a third party and information he had researched.
62. The Tribunal was unable to test the evidence of Mr Robert Topolski, Mr Pawel Kiewlak and Mr Constantine Zouroudis. They could not be cross examined on the content of their statements nor questioned by the Tribunal. The Tribunal therefore explained that it would assess what weight it could ultimately give to that evidence in light of the fact it could not be properly tested at the final hearing.
63. The Tribunal upon assessing those statements finds them to be very general in their content and largely irrelevant to the issues before the Tribunal.
64. Mr Robert Topolski’s statement contains submissions around the poor condition of the property and a lack of maintenance. It is critical of Urang’s day to day management of the block referring to emails from March to August 2024 purporting to demonstrate poor service and a lack of access to the building. The Tribunal cannot see how this evidence relates to the issues before it. Without testing this evidence, the Tribunal attaches little evidential weight to the statement.
65. Mr Pawel Kiewlak statement sets out a bare assertion of a general lack of maintenance to all areas since 2014 to the present day. It is claimed that he has never personally witnessed any cleaning or any works undertaken to justify sums demanded in service charges for the period of 25.12.2024 to 24.12.2025. Without testing this evidence, the Tribunal attaches little evidential weight to the statement.
66. Mr Constantine Zouroudis’ statement is again in a format of being generally supportive to the Respondent. It again makes assertions around a general lack of maintenance and service charges demands from 2020 therefore being unreasonable. It also alleges a poor service from Urang supported by reference to emails from 2023. Without testing this evidence, the Tribunal attaches little evidential weight to the statement.

Decision

67. The Respondent has essentially challenged every demand outlined at paragraph 38 in the same way. Therefore, it is necessary to first establish if those demands have been raised in accordance with the

Lease where the Respondent has indicated in written submissions arguments to suggest they are not in accordance with the Lease.

68. In fairness to the Respondent, this line of argument was not substantially pursued at the final hearing, with the Respondent suggesting an acceptance of the requirement to pay charges that were legitimately raised in accordance with the Lease. However, for the sake of completeness, the Tribunal has considered the arguments put forward by the parties.
69. Clauses 2, 3(1), 3(7) and 4(4) of the Lease set out obligations upon the Respondent to make certain payments to the Applicant. In summary, Clause 3(7) requires the Respondent to pay the Applicant all reasonable costs and charges linked to the contemplation of, or actual proceedings connected to enforcement of the Lease under sections 146 and 147 Law of Property Act 1925.
70. Clause 4(4) of the Lease sets out the obligation for the Respondent to pay the service charge at the times and in the manner provided by the Fifth Schedule of the Lease.
71. Clause 5(3) sets out the obligations and covenants placed upon the Applicant and those services which will be provided subject to the payment of the Interim Service Charge and the Service Charge.
72. Paragraph 1(3) of the Fifth Schedule to the Lease reads as follows:

“the Interim Service Charge” means such sum to be paid on account of the Service Charge in respect of each Accounting Period as the Landlord or his Managing Agents shall specify at their discretion to be a fair and reasonable interim payment.
73. The Tribunal finds this wording to be clear in its operation and effect. In summary, the Landlord (or his managing agent) reserves the right to produce a demand for an interim service charge for the accounting period in question, which at their discretion will be a fair and reasonable amount.
74. The budget certificates for the demands set out at paragraph 38 above are set out in the bundle and exhibited to the witness statement of Daniel Kempner. They contain the statutory information, are addressed to the Respondent and identify the Landlord.
75. The obligation to pay the demands or service charges in general are not subject to any consent precedent. The obligation to prepare and provide certified accounts placed upon the Landlord is separate (set out at paragraph 6 of the Fifth Schedule) and whilst compliance with that provision is of course important, it does not interfere with the clear obligation set out under Clause 4(4).

76. Again, whilst not pursued at the hearing, the Tribunal notes the Respondent at paragraph 11 of the Defence challenges the validity of the demand dated 03.10.2019 on the basis it does not meet with the payment dates set out in paragraph 3 of the fifth schedule of the Lease.
77. The Tribunal rejects this argument and finds the demand validly raised for the reasons set out above and because paragraph 3 of the fifth schedule operates to set out the dates upon which payment of any service charge demands are to be paid. It does not operate to require such demands to cover only the period of time between those payment dates.
78. There is no evidence before the Tribunal to further question that the demands were not raised in compliance with the Lease. As such, based on the evidence provided by the Applicant within the bundle, the Tribunal finds the demands have been raised in accordance with the Lease terms.

Were those Demands Reasonable

79. The Respondent makes a general allegation that the demands are unfair and unreasonable. As set out above, the Respondents' Defence suggests the demands are unreasonable on the basis the Applicant had not provided accounts in accordance with the Lease; 2) that the management fees were excessive where the Lease had not been complied with by the Landlord and; 3) that no exterior works had been undertaken.
80. At the final hearing, the Respondent expanded some of those arguments to include specific details around what in particular it was claimed amounted to them being unreasonable.
81. In addition to the general allegation of unreasonableness, the Respondent made submissions around the management fees charged for by Urang, the provision of insurance, door repairs that took place in 2020 and cleaning charges.
82. It is worth noting that at the final hearing, the evidence the Tribunal received from both the Applicant and the Respondent was limited in terms of direct knowledge of the disputed issues. The Tribunal found Mr Kempner to be an honest witness, and he attempted to help the Tribunal and answer all questions put to him by the Respondent, but by his own admission, his direct knowledge of many matters before the Tribunal was ultimately limited. He did confirm, and the Tribunal accepts this, that he had inspected all invoices that are the subject of the disputed demands and had provided those invoices to M.E. Ball & Associates Limited to prepare the certified accounts.
83. Likewise, the Respondent confirmed he did not reside at the Property and had not been a direct witness when it came to knowing if works or maintenance had taken place at the Building during the period of

dispute. He relied on evidence of how the Building and Property had been managed in recent years and made submissions around his perception of how Urang performed as a managing agent and how the Applicant behaved in terms of performing landlord obligations under the Lease. The Tribunal found the Respondent very clear in the arguments he put forward and the basis for the same.

84. The Tribunal finds the best evidence available to it is the documentary records submitted within the bundle. In light of the lack of direct witness evidence on the disputed period and charges, the Tribunal has placed most weight upon the documentary records that were supplied and primarily the exhibits to the witness statements of Daniel Kempner.
85. In making findings on reasonableness, the Tribunal has been cautious to ensure it does not make findings outside of its permitted jurisdiction. It is not the place of the Tribunal to make any findings on whether the Landlord has breached any obligation under the Lease (unless it was a finding open to the Tribunal when determining the liability to pay and reasonableness of any service charges demanded). Those findings are matters for the County Court when determining the remaining issues of the wider claim.
86. In respect of the specific points raised in the Respondents defence, the Tribunal notes that service charges accounts have been prepared for the service charge years in dispute. Those accounts have now been shared with the Respondent, albeit only a matter of days before the final hearing. The Respondent to his credit acknowledged this at the final hearing. The charges for those accounts set out in the Expenditure Report were incurred at the same cost as was estimated in the disputed budget demands, namely £360.
87. As per the findings above, there is no pre-requisite condition on the Applicant to issue certified accounts in order to trigger the liability pay service charges that fall due under the Lease and that applies even where subsequent discrepancies may occur in those accounts, that will not mean the service charges have not been properly demanded or that they are unreasonable.
88. The Tribunal finds these costs to be reasonably incurred given the requirement to prepare certified accounts under the Lease and to be reasonable in amount.

Management Fees

89. The Respondents' challenged to the management fees charged by Urang were generally that £160 per month was unreasonable given the performance of Urang and the perceived lack of services delivered by them.

90. The Respondent produced very little evidence to support why it was said those fees were unreasonable in relation to management of the Building. In general terms, the Respondents' evidence comprised allegations that Urang didn't respond promptly to enquires and didn't do enough to maintain and provide services to the Building over the period of time they had been managing the Building.
91. *ASP Independent Living Ltd v Godfrey [2021] UKUT 313 (LC)* confirms as part of a wider decision that it is not for a Leaseholder to put a Landlord to proof when it came to reasonableness of service charges. it was noted:
- 7. It is well established that where a lessee seeks to challenge the reasonableness of a service charge they must put forward some evidence that the charges are unreasonable; they cannot simply put the landlord to proof of reasonableness."*
92. Further the Tribunal takes into account the Upper Tribunal's guidance in *Okoye v Gray's Inn Capital Ltd [2025] UKUT 195 (LC)*;
- "It is well established that a tenant who wishes to challenge a charge on that basis must make a "prima facie case" that the cost was not reasonably incurred; in other words, he or she must produce some reason or evidence that indicates that the cost was not reasonable. A tenant cannot simply put the Landlord to proof that it was reasonable."*
93. The Respondent provided no comparator evidence or evidence of what alternative costs would be reasonable. An example of the Respondents' evidence on this point was pictures of an external wall to the Building which appears to be in disrepair. The photos of the wall show that its condition has been very poor for at least 5 years, possibly longer. The Applicant's argument being this is an example of poor management of the Building.
94. The Tribunal does not agree with the Respondent to the extent that this is evidence that the Managing Agents were not performing a management function and that the fee claimed for the same was not reasonable. There was no evidence to suggest what communications or instructions were taking place between the Applicant and the Managing Agent over issues such as the condition of the wall or proposed works.
95. The Applicant's evidence from the documentation exhibited to Mr Kempner's witness statement shows that Urang was performing basic property management functions for the period in dispute. Those functions, whilst possibly limited, were still functions of a managing agent.
96. The Tribunal preferring Mr Kempner's evidence that Urang's records showed that they had been arranging for services accounted for in the

Expenditure Report and had been dealing with the Applicant and some limited issues at the Building.

97. The Tribunal was provided with evidence that general risk assessments for fire safety were taking place on an annual basis which Urang had been responsible for arranging. Urang had also retained services for scheduled cleaning works and retained insurance policies.
98. Mr Kempner's evidence was that the likely cost in the current market for management fees of a block similar to that of the Building would be anywhere between £200 to £350 per month depending on the scope of the agents' appointment. He surmised that £160 per month at the time of the disputed demands would have been towards the lower end of the market charges.
99. There was no direct evidence available from witness to events that took place at the time, therefore again the Tribunal weighs heavily on the documentary evidence available. The Tribunal finds that Urang was providing management services to the Building for the period of time in dispute and that it was reasonable for the Applicant to procure such services for the purposes of managing the Lease. Further the Tribunal finds the management fees to be reasonable for the basic provision of management that was taking place during the period of dispute.
100. The Tribunal finds that the Respondents' evidence is really evidence that supports a wider argument around whether the Landlord (and via the Managing Agents) has complied with obligations under the Lease and whether the Landlord's alleged instructions to the managing agent not to carry out certain functions or works was appropriate.
101. It is not for the Tribunal to make any findings in this regard. The Applicant's evidence shows that the Respondent has ultimately only been charged for the services the Building had received. Whether or not the Applicant should have provided more services to the Respondent is a different matter.

Insurance

102. The Respondent challenged the charges for insurance demanded by the Applicant. The Respondent's main argument around this being that the policy documents for 19 April 2019 to 18 April 2020 and then for 19 April 2020 to 18 April 2021 from Legal and General was not sufficient insurance to comply with the Applicant's obligation to insure the Building under the Lease.
103. The Respondent's position being that those documents showed the Applicant had procured insurance on a Buy to Let basis that amounted to cover only for the 4 properties identified within the policy documents and not the Building itself nor its communal areas.

104. The Applicant in evidence could not confirm whether the insurance policy was compliant for the purposes of the Lease or not, Mr Kempner having not been directly involved at the time the policy was procured.
105. The Applicant however did submit that the on-account demand to cover the cost of an insurance premium was reasonable to incur given the obligations placed upon the Applicant in the Lease and that the demand amount was reasonable. The Applicant went on to show via the Expenditure Account that ultimately no cost was passed on to the Respondent for these contested insurance policies when the accounts were reconciled.
106. Further the Applicant showed the on-account demands did reduce the amount sought to cover insurance premiums where it became likely such premiums were likely to cost less to renew.
107. The only evidence available to the Tribunal of insurance costs for the Building were insurance policies procured from Ageas. The premiums for those policies ranging from £470.28 for the year 23 April 2021 to 22 April 2022 and then £671.20 for the year 23 April 2022 to 22 April 2023.
108. The Tribunal is only determining whether the service charges are reasonably incurred and reasonable in amount for the purposes of s19 Landlord and Tenant Act 1985.
109. In that regard, the Tribunal finds that provision for insurance within the demand is one that is reasonable to be incur given the requirement under Clause 5(3) of the Lease for the Applicant to insure the Building and that the amount demanded, was on balance reasonable at the time the on-account demands were submitted.

Door Repairs

110. The Respondent challenged the cost of the door repairs set out in the Expenditure Report for the service charge year ending 24 December 2020. The Respondent claiming 4 separate visits was unreasonable and the amounts claimed per visit to be excessive. The Respondent submitting cheaper options were available from his own personal knowledge of the market however no evidence was supplied to the Tribunal to support this.
111. The Respondent had not been present at the Property when the repairs were being conducted and there was no evidence available beyond the Expenditure Account entries to determine what works had been required and why.
112. In response the Applicant's evidence beyond the account entries was that there was no evidence to suggest it was the same repair being conducted 4 times and that it may have been four unrelated call outs. It was not necessary to retain the cheapest possible service and in the

absence of any evidence to the contrary it was unnecessary for the Tribunal to be sceptical of the account entries.

113. The Tribunal finds that the service to repair communal doors at the Building in accordance with Landlord requirements under Clause 5(3) of the Lease are costs that are reasonably incurred and based on the limited evidence available before it, concludes that the costs incurred were reasonable in the amount claimed, preferring and accepting the evidence within the Expenditure Account.

Cleaning Costs

114. The Respondent in evidence did not really challenge that cleaning costs had not been reasonably incurred. The Tribunal acknowledges the content of the witness statements submitted by the Respondent which reference a lack of cleaning but those statements do not suggest the cleaning set out in the accounts did not take place, moreover they support the Respondents general submission that cleaning does not take place at the Building as often as it should and that a failure to provide cleaning services for multiple years, as evidenced by the Expenditure Report is a further failing of the Applicant to comply with the Lease.
115. The Tribunal has already set out the little weight it attaches to those witness statements where the evidence was not tested or questioned at the final hearing.
116. The Applicant pointed out that the Respondent had ultimately only been charged for services that had been delivered. There was an absence in the Expenditure Reports of charges for cleaning because cleaning hadn't taken place. Therefore, when the accounts had been reconciled, although cleaning costs had been demanded via the budgeted demands, when they had then not been incurred, those costs were not claimed for, and costs were attributed to the cost of other service charges that had been incurred. No balancing payments had ever been demanded from the Respondent following the budgeted on-account demands.
117. The Tribunal finds that the services for cleaning at the Building in accordance with Landlord requirements under Clause 5(3) of the Lease are costs that are reasonably incurred and based on the limited evidence available before it, concludes that the costs incurred were reasonable in the amount claimed, preferring and accepting the evidence within the Expenditure Account.

Section 20B claim in Defence

118. The Tribunal again notes that the Respondent did not pursue this defence at the final hearing. The Defence sets out submissions that claim the demands are invalid as a result of the effect of Section 20B Landlord and Tenant Act 1985.

119. In so far as it is necessary, having reviewed the bundle and evidence supplied by the Applicant and in light of there being no evidence to rebut the Applicants evidence in this regard, the Tribunal dismisses this defence and finds the demands were not caught by the provisions of Section 20B.
120. The Tribunal finds the demands were made on-account and where there is no evidence to show the Landlord subsequently made any requests for balancing payments due to those on-account costs being exceeded, Section 20B cannot be of effect.

Findings on Demands

121. As a result of the above findings, the Tribunal finds that the demands set out at paragraph 38 above are payable by the Respondent to the Applicant in the sums claimed.

Respondent's Application under Section 20C Landlord and Tenant Act 1985 and Paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.

122. In light of the above findings, the Tribunal declines to make any order under Section 20C Landlord and Tenant Act 1985 and Paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.
123. In considering both statutory provisions, the Tribunal has to consider what would be just and equitable in the circumstances.
124. Where the Applicants have been successful in their application that the demands raised are in accordance with the Lease and are reasonable, it would not be just and equitable to subsequently prevent them from recovering the costs of these proceedings from the Respondent.
125. It is of course important to set out, that this finding only applies to those costs that are relevant to these proceedings before the Tribunal. Any findings on costs the County Court may go on to make will be entirely separate to the findings made by the Tribunal on this issue.

RIGHTS OF APPEAL

126. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case by email at rpsouthern@justice.gov.uk

127. 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.
128. 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.
129. 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.