FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	**MAN/36UD/LSC/2025/0648 and MAN/36UD/LSC/2025/0649**
Properties	**:**	**Flat 1 117 East Parade, Harrogate HG1 5LR** **Flat 2 117 East Parade, Harrogate HG1 5LR**
Applicant	**:**	**Mr. Raymond Buckley**
Respondent (Flat 1)	**:**	**Eleroo Limited**
Representative		**Mr. Clive Taylor**
Respondent (Flat 2)		**116 Park Limited**
Representative		**Mr. Dawud Muneer**
Type of Application	**:**	**Landlord and Tenant Act 1985 – s 27A**
Tribunal	**:**	**John Murray LLb** **William Reynolds MRICS**
Date of Order	**:**	**13 November 2025**

ORDER

INTRODUCTION

1. The Applicant made two applications to the Tribunal to determine liability to pay and the reasonableness of service charges under s27A Landlord and Tenant Act 1985 and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 in respect of Flats 1 and 2, 117 East Parade, Harrogate HG1 5LR ("the Property") for the service charge years "Cumulative from pre 2022 to 2024 and onwards".

2. By a case management note made on the 1 October 2025 an Order was made pursuant to the Tribunal's case management powers under the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 that both matters should be listed for a hearing and heard at the same time pursuant to Rule 6(3)(b) as they give rise to common issues

THE PROCEEDINGS

3. A case management conference was held on the 29th May 2025 to clarify the application brought. At that hearing the Applicant confirmed he was seeking unpaid service charges and insurance for a number of years to include legal costs he incurred in connection with leasehold extension applications brought by both Respondents.

4. Directions were made requiring that the Applicant send the Respondent a statement of case to specify, in respect of each year concerned, the total service charges the Applicant believes to be payable by the Respondent and must explain (by reference to the lease of the Property) the basis on which those charges have been applied, calculated and apportioned. The statement of case was to be accompanied by copies of:

· the application with enclosed documents

· these directions and any subsequent directions

· the lease of the Property and any relevant lease variations

· service charge accounts and budgets for the years in dispute (including audited and certified accounts where so required by the lease)

· relevant notices, invoices and demands for payment

· any signed witness statements of fact upon which the Applicant relies

· any other document upon which the Applicant relies

5. The parties were directed to try to agree a single bundle of documents for use at the hearing, including a copy of every document sent in accordance with the Tribunal's directions.

6. Despite frequent correspondence from the Tribunal, the Applicant, who (in common with the Respondents) was acting in person, did not fully comply with these directions.

7. In relation to Flat 1, a bundle was eventually filed (following a further case management note). This did not contain a copy of the application; the directions; the lease, the service charge accounts and budgets for the years in dispute, relevant notices, or invoices , or a signed witness statement of fact. What it did contain was an amount of correspondence with Blacks solicitors in relation to previous proceedings for a lease extension, which had nothing to do with service charges whatsoever.

8. In relation to Flat 2, no bundle was filed. The Applicant brought a physical copy of a bundle to the hearing, but could not say when it had been sent. He let the Tribunal use his copy.

9. The Applicant had written to the Tribunal on various occasions to advise that Flat 2 had been repossessed by the Second Respondent's lender, and that he has not been able to contact the Second Respondent.

10. A Tribunal was appointed and the matter listed for a Hearing to take place at the Harrogate Justice Centre.

THE INSPECTION

11. On the morning of the hearing, the Tribunal carried out an inspection of the Property. The Applicant and the First Respondent were present and provided access to the common parts.

12. The Property was observed to be a Victorian terraced property, on a main thoroughfare heading towards Harrogate town centre. There was a shop unit

to the ground floor. The front door led up two flights of stairs, to Flat One on the first floor, and Flat Two on the second floor. Flat Two had a" notice to remove chattels" pinned to the door by the Mortgagee in Possession dated 19 June 2025 appointing Hunters of Albert Street Harrogate as the lender's appointed agents. The internal window to the side of the door had been smashed. The Applicant indicated that he had converted the basement into a third flat in the building, which he let out himself on a short-term tenancy.

13. The overall impression inside and outside of the Property was "tired". The barge boards lining the roof were in need of decoration maintenance. The carpets and décor inside the communal stairwells looked in need of renewal. It had clearly received very little attention for many years.

THE LEASE

1. The Lease for Flat 1 was dated 8th July 1977 for a term of 100 years. It was extended by a ninety year term in October of 2024 for a premium of £20,384 pursuant to s56 Leasehold Reform and Urban Development Act 1993, subject to the covenants of the 1977 lease. The copy provided by the Applicant was fairly illegible. The Tribunal did not appear to have been provided with a copy of the Lease for Flat 2 but was told by the Applicant it had not been extended. It was assumed to be in similar terms to the lease for Flat 1, but there was no evidence before the Tribunal to confirm that.

2. The lessee agreed in clause 3 (3) to Pay to the Lessor at the times and in the manner specified in the Third Schedule such sum or sums as shall under the provision that Schedule be determined to be the service charge payable in respect of the flat.

3. Clause 3(9) provided that the Leaseholder would pay all expenses including solicitors and surveyor's fees incurred by the Lessor of and incidental to the preparation and service of a notice under section 146 of the Law of Property Act 1925.

4. The Third Schedule paragraph 2 provided that the service charge shall be a sum equal to one half of the annual service cost, defined as the aggregate of the sum expended on liabilities incurred by the Lessor in each year, in connection with maintenance, service and insurance, in accordance with the Lessor's covenants in Clause 4, and ‘all reasonable fees charge and expenses payable to any Solicitor accountant Surveyor Agent Architect or other person or persons firm or company whom the lessor may from time to time employ in

connection with the maintenance and/or management of the property or the collection of the rent and service charge' (ETC)

5. The Third Schedule paragraph 3 provided that the Lessee shall pay to the Lessor half yearly in advance on the 1st day of January and July each year a sum on account of the said service charge as the Lessor's managing agent shall estimate as being a reasonable interim sum to be paid on account thereof in respect of each half year and as soon as practicable after the 31st of December each year the amount of the actual service cost and the said service charge for the preceding year including the amount of any contribution to a reserve fund as aforesaid shall be ascertained and certified by the Lessors' Managing Agent whose certificate shall be conclusive and binding on the Lessee and the Lessor and the said Lessor's managing agent shall as soon as practicable after the issue of such certificate serve the Lessee with a copy thereof and any balance found to be repayable to the Lessee shall be repaid to the Lessee on the 1st day of April next following the year ending on the 31st December in respect of which such certificate shall have been given or within fourteen days after a copy of such certificate shall have been served on the Lessee whichever is the later or at the option of the Lessor credited against the next payment of service charge due.

THE LAW

The relevant legislation is contained in of sections 19, and 27A Landlord and Tenant Act 1985 and is also governed by Schedule 11 to the Commonhold and Leasehold Reform Act 2002 the relevant paragraphs of the 1985 Act read as follows:

s19 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

s27A Liability to pay service charges: jurisdiction.

(1)An application may be made to a leasehold valuation 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 a leasehold valuation 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.

(6)An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—

(a)in a particular manner, or
(b)on particular evidence,

of any question which may be the subject of an application under subsection (1) or (3).

(7)The jurisdiction conferred on a leasehold valuation tribunal in respect of any matter by virtue of this section is in addition to any jurisdiction of a court in respect of the matter.

HEARING

6. The Applicant Mr. Buckley appeared in person. The First Respondent was represented by it's Director Mr Clive Taylor, owner of the leasehold title of Flat 1.
7. The former leaseholder of Flat 2 was not present. He had written to the Tribunal at 8.35 am on the morning of the hearing to say that he had transportation problems in getting to the hearing. He had asked if he could attend by video or telephone, but it was not possible to arrange that within the time frame permitted. He asked whether the hearing could be adjourned.

8. The Tribunal had to consider whether to proceed with the hearing in the absence of the Second Respondent.

9. Rule 34 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 provides that if a party fails to attend a hearing the Tribunal may proceed with the hearing if the Tribunal is satisfied that the party has been notified of the hearing or that reasonable steps have been taken to notify the party of the hearing; and that it is in the interests of justice to proceed with the hearing.

10. The Second Respondent was clearly aware of the hearing. He had provided no details as to what his transportation problems were; it was too late to arrange for his attendance by alternate means. It appeared that his flat had been repossessed by his Mortgagee in any event. In the circumstances the Tribunal determined that was in the interests of justice to proceed with the hearing.

SUBMISSIONS

THE APPLICANT

FLAT 1

11. The Applicant's witness testimony in the bundle (which related only to Flat 1) was dated 22nd October 2024, which confusingly was prior to the date the

application was made. The application form said that he was seeking £38,250.32 plus £13,199 to LCF Law.

12. The statement confirmed that the Applicant is the Owner and Freeholder, of the Property, and that Flats 1 and 2 are leased out. He staetd that service charges on Flat 1 had not been paid, and that over the years had grown to a figure of £38,250.

13. He then went on to discuss a lease extension application which he said had been "falsely instigated" on 25th April 2022. He said he had had to pay the First Respondent the sum of £19,795 in legal fees, which is said was misuse and abuse of authority.

14. In his statement, he said he sought "implementation" of his service charge demand for 1st July 2024 to 31st December 2024. He said he sought LCF Law's legal cost repayment by Eleroo Limited of £575. He suggested that Eleroo Limited had "forfeited it's entitlement to lease concessions" and that "Government Directives states that as a consequence of their action, the lease on Flat 1 was automatically forfeited. He did not explain how, or why.

15. He provided a copy of a letter dated 14.4.25 to Blacks Solicitors, described as an "Official Notice of intended lease forfeiture on flat 1, 117 East Parade Harrogate HG1 5LR" (Section 146 Law of Property Act 1925). It was not a valid s146 notice. In that letter, he made various demands for various legal fees to be paid to him.

16. A letter from Blacks dated 6 May 2022 in the bundle set out the First Respondent's objections to the service charges.

i. Roof repair: the First Respondent agreed in principle to contribute to roof repairs; but no statutory notices (s20 Landlord and Tenant Act 1985) had been served. The First Respondent had proposed alternative contractors. The Applicant wanted money for the sinking fund and "contingencies". The First Respondent had paid £5,000 "in protest" for roof repairs.

ii. Sinking Fund/Management Fees: On or around 12 June 2020, a service charge demand for 1 July 2020 to 31 December 2020 demanded £800 "to build up and repay borrowed amount". No statement of account was provided until 14 June 2020 and this was partly illegible and incomplete. The First Respondent had paid £1,000 previously for insurance, management charges, gutter/pipe repair, and to the sinking fund.

iii. Works carried out by the First Respondent. In June 2020, the First Respondent had spent £375.64 on roof repairs to the entrance and to redecorate the hallway, and sent invoices to the Applicant. The Applicant agreed to pay these if the Respondent paid £800 to the sinking fund. The First Respondent sought a refund of £187.82 for Flat 2's portion of the costs of the works they had carried out.

17. The letter from Blacks challenged the service charges in the following respects:

i. S19 Landlord and Tenant Act 1985: the Applicant was put to strict proof that the service charges were reasonable, and of tender processes and of the costs incurred. They asked for a roof survey.

ii. S20 Landlord and Tenant Act 1985: it was suggested there had been a complete failure to consult, and that any costs of major works would be limited to £250

iii. S21 Landlord and Tenant Act 1985: A request was made for a summary of the service charges incurred in the Accounting period of 2020 and 2021; a written statement made in advance of that period, if any; particulars of the legal fees incurred in relation to the sinking fund, and information on the "unpaid service charge" of £400. The letter aside that this information be provide within a month.

18. A further letter from Blacks dated 24th April 2025 stated that the s21 request has not been complied with. It reminded the Applicant that he needed to "follow the legislation". The Applicant hand wrote on the copy letter provided that he had not responded to it.

19. A letter from the Applicant to Blacks dated 8th June 2022 agreed to the First Respondent's roofers doing the works.

20. The Applicant said that he had been advised by LCF Law that he did not have to undertake consultation for major works. He produced a letter, but not an invoice, suggesting he had to pay £13,199 but this was for the lease extension.

21. The First Respondent told the Tribunal that he had paid £5,000 towards the roof, (under protest). The Applicant had obtained two estimates, one for a repair, and one for reroofing. The estimate for the works was for £15,000, plus contingency. Flat 2 had paid £10k (lender) and you sought £10,000 . He said that he had repaid £5,000 to the First Respondent, and had taken the remaining £10,000 out of the sinking fund and was "waiting to hear what should happen with it". He said he had paid the insurance on the Property.

22. Most of the service charges that the Applicant was seeking from the First Respndent were for legal costs. The Applicant said that they were incurred in relation to the leasehold extension application, and a dispute over consultation. He had no invoices, for such costs, only a letter from his solicitors LCF that suggested they were costs that had been incurred for the lease extension. Legal costs for extending a lease are the subject of separate legislation, and separate proceedings. They are not subject to the Tribunal's jurisdiction in these proceedings, and it would appear that an Order in the County Court had resulted in the Applicant paying the Second Respondent's legal fees. This was not a matter for the Tribunal's jurisdiction.

23. The £5000 for the roof having been paid back to the First Respondent, the Applicant told the Tribunal that he was no longer seeking any monies for roofing costs, he was purely seeking legal fees .

24. He said that insurance monies sought for 2022 had been divided into three – as the basement flat had been constructed.

THE FIRST RESPONDENT

25. Mr Taylor for the First Respondent said that the Applicant had not provided a copy of the proper lease; the current version was dated the 1st October 2024, having been the subject of a 90 year extension.

26. Mr. Taylor told the Tribunal that he had tried to have a phone call with the Applicant to request a proper set of accounts, but he had hung up the phone on him. The Applicant had never provided certified or audited accounts despite requests from Blacks solicitors. His solicitors had made S21 requests, which the Applicant had still not responded to.

27. The Applicant had failed to produce any invoices for the amounts requested, or any evidence of a consultation process in relation to the proposed roof works. There had been some informal consultation, but no one had even surveyed the roof. He had thought about getting a roofer involved, He contacted Blacks solicitors for advice and they suggested a surveyor, but this did not happen.

28. Mr. Taylor said that he decided to apply to extend his lease, and got a surveyor involved, who suggested a valuation of £20,000. The Applicant said he would accept £28,000. There was a court hearing, and ultimately the Applicant was ordered to pay his (the First Respondent's) costs. These costs were all in relation to the lease extension, and nothing to do with the roof repairs.

29. Mr. Taylor told the Tribunal that when he first took over the flat, in September 2019, the management charges were reasonable, but they had increased since then. He had continued to pay the service charges until the roof dispute, but they were increasing. He was paying for repairs that he arranged to have carried out himself, for example to a leaking gutter. He had to do so, because the tenants he sublet to were complaining to him about it and the Applicant was taking no action.

30. The service charge demand for 2020 included a management charge of £250 and insurance costs of £400. He would ask for a copy of the insurance document, but it would not be given. It was approximately £400 for the year, but not exactly that amount as the Applicant suggested. The management fees doubled.

31. Mr. Taylor said that he was not comfortable paying out £10,000 towards roof repairs. His business partner left, as she was living a long way away. He paid another £300 in management fees, but no receipt was provided, and no explanation was given as to how he calculated this.

32. Mr. Taylor accepted that insurance costs were due each year, and he would accept a reasonable management fee. When he went ahead with the lease extension, he agreed to pay £2750 as an amount for insurance and management fees on top of the £20,380 valuation fee. The Solicitors acting for the Applicant in the transaction were LCF, and he effectively paid £800 for a management fee for the year, together with an amount for buildings insurance and ground rent. He thought £400 for six months management was high, but he agreed to pay it; £800 for 2022 and 2023, and £400 for six months of 2024, along with ground rent at £25, and insurance of £250 per year.

33. Aside from arranging insurance, the Applicant carried out no work at the Property. Mr. Taylor said that he had received an email from his tenant complaining that the entrance door that did not lock and was insecure, water damage, the panel covering electrics was unsafe, and there were hazards in the communal areas.

34. He said that he hadn't paid service charges recently, but he would be happy to do so if matters could be regularised.

THE APPLICANT

FLAT 2

35. The Tribunal had not received a bundle for the application against the Second Respondent. The Applicant asserted that he had provided one. The Tribunal had no record of ever receiving it.
36. There was a number of letters, and a statement by the Applicant dated 29th November 2024, before the Tribunal. The Applicant handed a physical copy of a bundle up to the Tribunal

37. The Applicant said that the Second Respondent had never paid any service charges. The Applicant said that he had sent a bundle to Mr. Muneer, the Director of the Second Respondent, but it had been sent back to him.

38. The Applicant said that he claimed £4621.88, plus £50 in ground rent. 1st Half of 2023. He had claimed insurance of £259, management of £400; sinking fund £500 and was seeking unpaid service charges for the first half of 2023 of £1159. He was also seeking unpaid ground rent of £25, and legal expenses regarding a lease extension. He admitted that there had been no lease extension and there was no invoice, but he had started the process. He then sought manage charges of £300, £260 for insurance, legal Charges for McCormicks of £363.58 (but with no invoice) He said that his management involved "numerous visits" (he did not say what for) and for "clerical" for £600. He said that he went once to flat 2, and he had to create the bundle.

39. In closing submissions, the Applicant said the evidence that he had provided should be reviewed and digested and understood from "a victim's point of view" and the normal consequences in relation to the victimisation that he said he had suffered should apply. He said that he hoped the Tribunal would review the matter with an open mind and understand fully his position; finally he said that whatever other people said, the Tribunal could not believe them.

THE DETERMINATON

40. The Applicant sought service charges from both Respondents for legal costs, insurance charges, and management charges.

LEGAL COSTS

41. The Applicant had claimed substantial amounts of service charges for legal costs incurred in relation to proceedings. He had no information to support what those legal costs were for, other than a letter from LCF Law indicating

£13,199 was for costs incurred in relation to leasehold extension work. The Applicant suggested in his oral evidence that some of the costs were in connection with recovering service charges, or advice in relation to consultation for the roof works, but ultimately the Applicant produced no invoices despite being directed to do so.

42. The lease provides that the Applicant might recover solicitors costs for fees incurred of and incidental to the preparation and service of a notice under s146 Law of Property Act 1925 (clause 3(9)), and reasonable fees payable in connection with the maintenance and/or management of the property, or the collection of the rent and service charge (Third Schedule clause 2). There was no evidence before the Tribunal to support a claim for such charges; the letter from LCF Law dated 28 October 2024 referring to fees of £13,199 was in connection with the lease extension; such fees have been the subject of separate County Court proceedings, and are not service charges, and not recoverable under the lease. The Tribunal determines that no charges are recoverable by the Applicant against either Respondent for legal costs.

INSURANCE CHARGES

43. The Applicant confirmed that the insurance charges for 2022 were £799, and although the lease provided that he could charge each leaseholder 50% of the cost of the insurance, he had elected to charge each leaseholder 1/3 and pay 1/3 of the insurance himself, for the flat that he had created in the basement and rented out, which the Tribunal understands had not been in existence when the leases were granted. The insurance sought for the year 2024 was £260; no detail for 2023 was suggested. The Applicant indicated to the Tribunal that the insurance that for 2023 was *likely* to be in the region of £260.

44. The First Respondent agreed that these levels of insurance (£259 for 2022, £260 for 2023 and 2024) were reasonable and in the circumstances the Tribunal determines that the service charges sought by the Applicant for the insurance for the years 2022 2023 and 2024 was reasonable in relation to Flat 1 and Flat 2.

MANAGEMENT CHARGES

45. The Tribunal found as a matter of fact that there had been very little management for the Applicant to do, other than arrange insurance for the Property, and send budgets demands and certified accounts. However, aside from arranging the insurance, he seemed to do very little according to the evidence he filed.

46. Instead of sending out as the lease requires, budgets, demands and certified accounts, he sends out an unprofessional hand written note. He fails to respond to enquiries, even when put by solicitors. He tries to recover costs relating to matters other than service charges.

47. The Applicant sought to charge for items that he has no legal basis to request; inserting for example charges for:

(i) "McCormicks Legal Charges £6477"
(i) "Management 4 months of constant attention £1750".
(i) "attending Leeds County Court £400",
(i) "Legal cost £1044"
(i) "Management and Communication £3000".
(i) "Typing correspondence" £1,000
(i) "Full time management attendance £5,000". ""
(i) "Legal Charges McCormicks £3467"
(i) "Legal Costs LCF £520"

48. None of these are justifiable and made any sense to the Tribunal whatsoever. It was clear from his submitted evidence and his oral submissions that the Applicant sees himself as a victim of the legal system, when in actual fact he seems to have a deep misunderstanding of his situation, and of the rights and responsibilities of both parties under a lease. His solution if he was dissatisfied with the outcome of the County Court proceedings would have been to take advice on a possible appeal; instead, he has sought (presumably without the benefit of any legal advice) to recover the legal costs he spent through the service charge, which is simply not possible.

49. His management simply makes matters worse for the leaseholders. No works are carried out and he then subjects them to lengthy proceedings which had no reasonable prospect of success.

50. Using the Tribunal's expert knowledge and experience, a professional managing agent might charge £450-£600 per annum per flat in a similar property, but for that they would carry out RICS expected management; the Applicant's management falls very short of that. A non professional manager might reasonably charge £300 -£400 per annum.

51. The Tribunal determines that given the poor standard of the Respondent's management, given that he has done so little other than institute litigation that was extremely misguided, a substantial reduction from normal management charges would be appropriate for the years under review. For

major works he might charge a percentage amount – but other than a dispute over roofing works that never commenced, there has been no mention of major works, and indeed very little work has been carried out at the Property other than that arranged by Mr. Taylor, and presumably the work carried out by the Applicant to his own flat (which aside from the Applicant's voluntary contribution to the insurance will have no obligation to contribute to the service charges).

52. The Applicant has spent his time and energy chasing the Respondents for monies he has no right to recover. He does not do what he is supposed to do, creating problems for his leaseholders, whilst somehow repeatedly referring to himself as a victim of the legal system.

53. In all the circumstances and on the evidence we determine £100 per flat as being a reasonable charge for managing the property over the period to which the Application refers given all that the Applicant has done is to arrange insurance, and send out demands for payments that for the most part he is not entitled to. There has been a complete absence of anything resembling competent property management. The Property is being neglected, and the Applicant seems to have no plan as to how to improve the circumstances for himself, and the leaseholders.

Judge John Murray
13 November 2025