



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

**Case reference** : **LON/00AY/LSC/2025/1039**

**Property** : **54-56 Norwood Road, London SE24  
9BH**

**Applicant** : **Cormorant Limited**

**Representative** : **Tom Case of SE1 Limited (managing  
agent)**

**Respondents** : **Gianni Monachello and Anna Maria  
Monachello (2) Caitlin Alice Liddell (3)  
Edward George Francis Tidmarsh (4)  
Jaswant Laly (5) Imran David Spence  
(6) Declan Mark Cahill (7) Pietro Collina**

**Representative** : **N/A**

**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** : **Judge H Carr  
Judge S Agnew  
Mr J. Naylor MRICS**

**Venue and date of  
hearing** : **10 Alfred Place, London WC1E 7LR  
27<sup>th</sup> March 2026**

**Date of decision** : **11<sup>th</sup> May 2026**

---

**DECISION**

---

### **Decisions of the tribunal**

- (1) The tribunal determines that the sum of £134,440.00 plus surveyors fees of £13,440 is payable by the Respondents in respect of the estimated service charges for the major works.
- (2) The tribunal makes the determinations as set out under the various headings in this Decision.
- (3) The tribunal does not make an order under section 20C of the Landlord and Tenant Act 1985.

### **The application**

1. The Applicant seeks 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 estimated service charges and (where applicable) estimated administration charges payable by the Respondents in respect of charges for proposed major works of repair and redecoration of the external building fabric.

### **The hearing**

2. The Applicant was represented by Mr Case of the managing agents at the hearing. Mr Laly appeared and represented Mrs Jaswant Laly his wife, the leasehold owner of two flats within the property, Flats 4 and 6 . Mr Cahill, the leasehold owner of Flat 54a Norwood Road did not attend, but the tribunal took into account his written representations sent by email.
3. No other Respondents attended the hearing, nor did they send representations.

### **The background**

4. The property which is the subject of this application relates to a block of 8 flats across five floors. The flats are number 1 – 6 and 54a and 56a Norwood Road.
5. 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.
6. The Respondents hold long leases of the property which require the landlord to provide services and the tenant to contribute towards their

costs by way of a variable service charge. The specific provisions of the lease and will be referred to below, where appropriate.

### **The relevant terms of the lease**

Clause 3(5): The Tenant covenants “At all times during the said term to pay and contribute eight per cent (8%) (hereinafter call ‘the Service Charge’) of the cost and expense of making repairing maintaining and rebuilding and cleansing all party walls main walls party structures common parts chimney stacks drains waterpipes ducts gutters downpipes sewers drainpipes road ways pavements roof foundations (insofar as they are not included or intended to be included in the demise of any part of the Building) which for the avoidance of doubt includes the services provided by the Landlord and contained in Clauses 4(4) and (5) hereof and all other things the use of which is common to the Demised Premises and to the remainder of the Building or neighbouring premises and eight per cent (8%) of the cost of insuring the Building pursuant to the Landlord's covenant in that behalf in clauses 4(2) hereof the Service Charge to be paid to the Landlord at the time and in the manner provided in Clause 5 hereof”

Clause 4(4): That (subject to contribution and payment by the Tenant as hereinbefore required under this Lease) the Landlord will FIRSTLY maintain repair redecorate (from time to time as and when reasonably required but at intervals of not less than three years) renew rebuild as necessary and keep clean (a) The main structure and exterior in particular but without prejudice to the generality of the foregoing the foundations joists party walls main walls common parts chimney and chimney stacks party structures roof gutters and rainwater pipes wires ducts and other parts of the Building not expressly included in the Demised Premises.(b) The existing (if any) gas water pipes drains telephone and electric cables and wires sewers downpipes drainpipes watercourses road ways pavement paths forecourt passages landings and staircases and all other common parts (not included in the demise of the flat) in under or upon the Building of which the Demised Premises form part and enjoyed or used by the Tenant in common with the tenants of the other flats or premises AND SECONDLY provide adequate lighting in the landings passages staircases and entrance areas within the Building.

### **The issues**

7. At the start of the hearing the parties identified the relevant issue for determination as follows:
  - (i) The payability and/or reasonableness of service charges for proposed major works totalling £134,400.00 plus surveyors fees of £13,440.00

8. 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.

### **The Applicant's argument**

9. The Applicant proposes carrying out major works of redecoration and repair to the external building façade. The Applicant says that these works are necessary to comply with the covenants in the lease.
10. The proposed major works to the external building fabric include brickwork, render, windows, decorations, and associated repairs to the external side wall.
11. Mr Case told the tribunal that the application had been made because of historic difficulties in collecting service charges at the property.
12. After the hearing the Applicant provided a copy of a letter from Simmons Taylor Hall, its surveyors, explaining the outcome of the inspection carried out on Monday 2<sup>nd</sup> December 2024. In summary this letter, dated 10<sup>th</sup> December 2024, indicated that internally there are significant plaster repairs required, and a need to repair the general degradation to the decorative finish exacerbated by the ongoing water ingress to the flank wall. The letter says that the property requires extensive external repairs to prevent further water ingress and deterioration. It recommended a number of items to be included in Section 20 notices.
13. The Applicant says it has undertaken the requisite Section 20 consultation process, issuing a Notice of Intention on 25 April 2025, followed by a Statement of Estimates on 05 June 2025.
14. Subsequent to the hearing the Applicant provided a copy of the Notice of Intention dated 25<sup>th</sup> April 2025, statement of estimates dated 5<sup>th</sup> June 2025 and a certificate of posting date 5<sup>th</sup> June 2025.
15. Three tenders were obtained for the proposed works, all based on a like-for-like basis in accordance with the specification. The estimates received (exclusive of VAT, professional fees, etc.) were (i) CTF Builders Ltd: £111,122.00 which included provision for contingencies of 20%; (ii) Abacus Building Services Ltd: £124,987.10 and (iii) Property Facilities Group: £137,680.40.
16. The Applicant's surveyor, Simmons Taylor Hall Ltd analysed these tenders. It confirmed that CTF Builders Ltd was the most competitive contractor, being £13,865.10 less than the next lowest bid. The Applicant recommended entering a contract with CTF Builders Ltd.

17. Observations received from leaseholders during the consultation period expressed themselves in favour of the works being carried out as soon as possible at a reasonable cost. Copies of those observations were not provided to the tribunal by the Applicant. However the summary of those observations was provided on the Statement of Estimates, and this was not challenged by the Respondents.
18. The Applicant asserts that by selecting the lowest competitive tender, the proposed cost is reasonable.
19. The estimated total cost for the external works included in the proposed interim service charge accounts for 2025 or 2026 is £134,400.00, plus surveyors fees of £13,440.00.
20. The Applicant says that whilst works have been carried out to the property in the past, the latest works were carried out in 2015 which is some considerable time ago.
21. The tribunal noted that the lease requires external decorating to be carried out every three years.

*Mrs Jaswant Laly*

22. Mr Laly representing Mrs Jaswant Laly objected to the works. The objections raised are to the scope, necessity and costings of the proposed works.
23. On 8 March 2025, on his wife's behalf, Mr Laly says he formally raised objections to the proposed works by email. That email set out significant concerns regarding repeat works, poor quality and incomplete works previously undertaken, and requests for information including details of works and costs. No substantive response was received from the Applicant or its managing agents to that objection. This failure to respond has further undermined confidence in the process and the necessity of the proposed works.
24. Mr Laly says he requires a full and detailed schedule of the proposed works, together with the surveyor's report and specification relied upon. He also requires the full tender pack and details of all quotations obtained, including those not chosen.
25. He has a particular concern that the works are duplications of previously carried out works. He asked the Applicant to provide details of all major works carried out on the building within the last 15 years, including copies of completion certificates, guarantees and warranties. He considered that if any works were still under warranty, the warranties should be exercised rather than imposing further costs on leaseholders.

26. He believes that the duplications also indicate that the works are not necessary.
27. Mr Laly says that he had not received any communications about the works.
28. Mr Laly argued that the quote selected is massively inflated and appears unreasonable. The chosen tender from CTF Builders is £111,122.00, yet the interim service charge accounts show provisions for external works of £134,400 in 2025 and £134,400 in 2026, plus surveyor's fees of £13,440 for both years.
29. He also asks for a reasonable opportunity to obtain alternative quotes for the works.
30. Mr Laly says that the Applicant should have taken CTF's quote as a starting point and negotiated the figure down. He drew on his own experience as a property manager to say that this was the correct approach.
31. He told the tribunal that in the last few days he had obtained an alternative quote from his own builder of £85,000 plus a contingency of 10%, ie a total of £93,500, which is lower than the quote from CTF. He was not able to provide any paperwork to verify the quotation. He says he was delayed in obtaining the quote because he could not access the rear of the property. The only way of doing so was through another leaseholder's property. He was waiting for the Applicant to organise this.
32. The Applicant responded that it had told Mr Laly to make his own arrangements with the leaseholder to access the rear of the property.

*Mr Cahill*

33. Mr Cahill raised objections about the elements of the contract made up of provisional sums. He asks for investigations to be carried out to reduce those sums. He also asks for greater certainty on the likely final cost and the worst-case scenario for the contract value.
34. Mr Cahill also requires clarification as the duration of the contracted works. He notes that the final duration is to be determined by the appointed contractor and asks that a fixed completion date is agreed.
35. He notes that, CTF Builders Ltd, has included very low allowances for preliminaries and contractor overheads and profit compared to the other tenderers, with much of these costs stated as being included within itemised rates. He is concerned about the potential risk of future

variations or claims arising during the works and asks for reassurances about the commercial risk of this.

36. He also asks for reassurance that a competent assessment has been undertaken in respect of contractor capability, relevant experience, financial stability, staffing levels, and recent performance on comparable projects.
37. Like Mr Laly Mr Cahill asks why insurance is not covering the works. He notes that the tender sums exclude VAT, professional fees, disbursements, and statutory costs. He also states that he would rather the landlord pays and recovers actual costs from the leaseholders from invoiced expenses rather than on the basis of vague estimates.

### **The tribunal's decision**

38. The tribunal determines that the amount payable in respect of estimated service charges for the proposed major works is £134,400 for the costs of the works plus £13,440 in surveyors fees.

### **Reasons for the tribunal's decision**

39. The tribunal noted that the Applicant claims £134,400 for the costs of the works plus £13,440. This total is not the same as the total of the estimate from CTF of £111,122 plus VAT of £22,224.40 which equals £133,346.40. There is a discrepancy of £1,053.60. Mr Case was asked for an explanation, and suggested that this might be an arithmetical error. The tribunal, on reflection considers that the estimate from CTF has possibly been round up to £112K which, if VAT is added = £134,400. The tribunal has proceeded on the basis that this is how the estimated service charge has been calculated.
40. The tribunal determined that the Applicant is obliged under the lease to maintain and repair the structure and exterior of the building. The proposed works are necessary to fulfil this obligation. It also determined on the basis of the evidence before it, that the estimated amount demanded was a reasonable estimate for the proposed works.
41. It noted that a surveyor was involved in identifying the necessary works, in analysing the tenders and in selecting the successful quotation. It heard evidence that the surveyor had used CTF in the past and considered it to be a reputable firm. The surveyor provided a thoughtful and thorough analysis of the tenders.
42. The tribunal has considered the arguments presented by Mr Cahill and Mr Laly and concluded that they have failed to provide any evidence or argument to demonstrate that the proposed estimated service charges for the major works are not payable and are not reasonable.

43. It noted that the Applicant's surveyors had answered the queries raised by Mr Cahill by email dated 11<sup>th</sup> February 2026. It noted that the surveyor had explained how provisional sums were calculated and why they were necessary, that contractors used different methods for calculating the costs of various processes, and that there was evidence that the contract duration would be 16 weeks. It was made clear that there would be a fixed programme for the works and an agreed completion date.
44. The decision to use known contractors was explained as follows:
- Whilst the contractors chosen are known to STH, each has demonstrated sufficient insurances, has a long background of high quality work without dispute and offers a service whereby the contract administrator is unlikely to receive variations and price increases at every junction. A 'user friendly' contractor that is known is often better than a random selection.
45. The tribunal considered the arguments of Mr Laly carefully. It was evident to the tribunal that Mr Laly was extremely frustrated by the Applicant's approach to the works. Whilst he accepted that there was a need to carry out the works, he considered that either insurance or warranties should be used to fund the works or he should now be permitted to nominate another builder to complete the works at a lower price.
46. The Applicant told the tribunal that the works were not covered by insurance and that any warranties that may have been obtained for previous works had long since expired. The tribunal noted that Mr Laly did not provide any evidence that this was not the case. It accepted the evidence from the Applicant.
47. The tribunal does not accept Mr Laly's evidence that he had not received notice of the proposed works. It notes that he had communicated with the Applicant about the works in March 2025, prior to the issue of the notice of intention. It also notes the evidence provided by the Applicant of the bulk postage of the statement of estimates.
48. The tribunal noted that Mr Laly gave evidence that he had very recently obtained a quote for works which was £85,000. The tribunal could not accept Mr Laly's oral evidence of the quote without documentation from the builder and some evidence that it was obtained on a like for like basis. In particular it noted that Mr Laly had not provided the name of the proposed contractor, or any email evidence of the discussions between them, or the proposed quote. There was no evidence that the quote was in accordance with the relevant specifications. It also noted that there was relatively little difference between the quote accepted by the Applicant and the quote produced by Mr Laly once the different levels of contingencies was taken into account.

49. It also noted that the Applicant was entitled to rely on the advice of the surveyor who had used his expertise in selecting CFH as preferred contractors.

The conduct of Mr Laly

50. The tribunal records that Mr Laly behaved in an aggressive and intimidatory manner throughout the hearing. He lost his temper on several occasions, and on one occasion left the hearing room. This behaviour impacted upon the Applicant's representative but also was unacceptable to the tribunal.

**Name:** Judge H Carr

**Date:** May 11<sup>th</sup> 2026

### **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).