



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

Case reference : LON/00AH/LSC/2025/1067

Property : 149 Parchmore Road Thornton Heath
London CR7 8HD

Applicant : Mr Madar Madar

Representative : N/A

Respondent : Cobas Properties Limited

Representative : Mr Cohen

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 Richards-Clarke
Mr Ridgeway

Venue : 10 Alfred Place, London WC1E 7LR

Date of hearing : 30 April 2026

DECISION

Decisions of the tribunal

- (1) The tribunal determines that the sum of £584.39 is payable by the Applicant in respect of the service charges (buildings insurance) for the years 2024 to 2025.
- (2) The tribunal determines that the sum of £566.35 is payable by the Applicant in respect of the service charges (buildings insurance) for the years 2025 to 2026.
- (3) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord's costs of the tribunal proceedings may be passed to the lessees through any service charge.
- (4) The tribunal determines that the Respondent shall pay the Applicant £114.00 within 28 days of this Decision, in respect of the reimbursement of the tribunal fees paid by the Applicant.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of the service charge years 2024 - 2025 and 2025-2026. The dispute in each of these years relates to challenges raised by the Applicant in relation to charges for Building Insurance and Insurance valuation.
2. The Applicant states that the issues for the Tribunal are whether:
 - (a) The building insurance charges are payable under the terms of the lease.
 - (b) The insurance charges have been reasonably incurred within the meaning of section 19 of the Landlord and Tenant Act 1985
 - (c) The Applicant's contribution towards the insurance premium has been correctly apportioned in accordance with the lease.
 - (d) The interim revaluation charge of £134.02 is payable.
 - (e) The insurance invoices for £300 dated 3 December 2025 [67] and 6 March 2026 [68] are payable.
 - (f) The Respondent has acted reasonably in rejecting the Applicant's alternative insurance quotation.
 - (g) The tribunal should make an order under section 20C of the Landlord and Tenant Act 1985.
 - (h) The Respondent is entitled to recover the cost of landlord's contents insurance where the lease requires building insurance only.
3. The Applicant also seeks an order under section 20C of the Landlord and Tenant Act 1985 that none of the landlord's costs of the tribunal proceedings may be passed to the lessees through any service charge.

4. The background to this application is set out in the Applicant's hearing bundle, which contains 221 digital pages [221].

The hearing

5. The Applicant appeared in person at the hearing, and the Respondent was represented by Mr Cohen.
6. The hearing was recorded and that recording shall stand as the record of proceedings.
7. The Applicant confirmed that his Statement of Reasons 23 December 2025 together with his documents headed Issues for the Tribunal were to be considered his evidence in chief. The Applicant gave evidence and took the Tribunal to the relevant documents relied on. The Applicant was also given the opportunity to address the Tribunal about any further issues.

The background

8. The property which is the subject of this application is a two-bedroom ground floor flat in a terraced house comprising two flats. The Applicant holds a long lease of the property which requires 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 will be referred to below, where appropriate.
9. The Applicant holds a long lease interest pursuant to a lease dated 11 May 1972 between Cobas Properties Limited (1) and Reginald Christopher Port (2). In accordance with clause 1 of the lease terms in addition to the yearly rent the Applicant is required to pay "*by way of additional rent one-half of the premium which with Lessor will expend in keeping the building insured against loss or damage from comprehensive risks*" [70]. Clause 3(b) of the Lease requires the Respondent to insure and "*to keep the building insured against loss or damage from comprehensive risks in an Insurance Office of repute*" [73].

The issues

10. At the start of the hearing the parties identified the relevant issues for determination as follows:
 - (i) The payability and/or reasonableness of service charges for the years 2024-2025, 2025-2026 in respect of the building insurance and insurance valuation charges.

- (ii) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord's costs of the tribunal proceedings may be passed to the lessees through any service charge.

Application under s.27A of the Landlord and Tenant Act 1985

11. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made the following determinations.

- (a) Whether building insurance charges are payable under the terms of the lease. The Applicant does not dispute that the landlord has an obligation under clause 3(b) of the lease to obtain buildings insurance [73]
- (b) Whether insurance charges have been reasonably incurred within the meaning of section 19 of the Landlord and Tenant Act 1985. The Applicant does not dispute that the landlord has an obligation under the Clause 3(b) of lease to obtain buildings insurance and therefore that building insurance charges have been reasonably incurred [73]. The Tribunal is an expert tribunal and is aware that buildings insurance has increased significantly over the last 5 years. The Tribunal is satisfied that an insurance policy was in place and this was not challenged by the Applicant. It is of note that, when the lower premiums were paid by the Applicant prior to March 2024, the buildings declared value was £246,016 [98] whereas for the increased premiums in dispute the buildings declared value was £674,000 [96]. The Tribunal was satisfied that the insurance charges have been reasonably incurred within the meaning of section 19 of the Landlord and Tenant Act 1985.
- (c) Whether the Applicant's contribution towards the insurance premium has been correctly apportioned in accordance with the lease. Clause 1 of the lease states that the Applicant is to pay "*by way of additional rent one-half of the premium which with Lessor will expend in keeping the building insured against loss or damage from comprehensive risks*" [70]. The Applicant does not dispute that his contribution towards the insurance premium has been correctly apportioned at 50% in accordance with the terms of the lease.
- (d) Whether the interim revaluation charge of £134.02 is payable. This is not an interim revaluation charge, rather it is an increased premium following revaluation of the reinstatement costs of the property from £246,016 to £337,000. The Tribunal accepted the evidence of the Respondent that revaluation of the property was necessary for accounting and insurance purposes and that the last valuation was around 10 years ago. At the hearing, the Applicant was provided with a letter dated 14 November 2024 setting out details of the valuation. The Respondent apologised for the late provision of

this document and the Tribunal was of the opinion that this should have been provided at an earlier date. However, the Applicant now accepted that a proper valuation had taken place in 2024. In these circumstances, the Tribunal was satisfied that the increased premium of £134.02 for the period 17 November 2024 to 24 March 2025 following valuation of the property was payable and reasonable.

- (e) Whether the invoices of £300 dated 3 December 2025 [67] and 6 March 2026 [68] are payable. The Respondent is not seeking recovery of this sum from the Applicant. The Tribunal therefore decided that this sum is not payable.
- (f) Whether the Respondent has acted reasonably in rejecting the Applicant's alternative insurance quotation. The Applicant relies on the insurance documents from Aviva [4 and 39]. The Tribunal was not satisfied that these documents were properly comparable to the building insurance arranged by the Respondent. This was because this was a Home Domestic Insurance which does not cover landlord's risk. The Respondent indicated that their preference is for there to be one unified policy for the building including both Flat 149 and Flat 149A. This is for the reasons set out in the letter dated 8 September 2025 from the Respondent's insurance brokers [62]. However, if the Applicant is able to produce a like for like policy for both flats then the Respondent would consider this and either take on this policy or offer the Applicant reduced premiums. For these reasons, the Tribunal decided that the Respondent has acted reasonably in rejecting the Applicant's alternative insurance quotation.
- (g) Whether the Tribunal should make an order under section 20C of the Landlord and Tenant Act 1985. The Respondent did not dispute this.
- (h) Whether the Respondent is entitled to recover the cost of landlord's contents insurance where the lease requires building insurance only. There is a discrepancy between the Insurance Certificates for the years 2025-2026 [94] and 2024-2025 [96 and 98] and the Victor Insurance document [147-148] as to whether or not Landlord's contents insurance is included in the insurance policy cover for the property. The Respondent indicated that it was not, the Tribunal was unable to reconcile these two documents. At the Tribunal's request the Respondent agreed to obtain written confirmation by 14 May 2026 as to whether or not Landlord's contents insurance is included in the insurance policy cover for this property for the years 2020/2021 to 2025/2026. And if so, the additional cost to the premium for this property. The Applicant was then given an opportunity to respond to this issue of Landlord's contents insurance in writing to be sent to the Tribunal and the Respondent by 21 May 2026.

- (i) On 5 May 2026, the Respondent forwarded to the Tribunal and the Applicant an email response dated 5 May 2026 from their insurance brokers. This stated that for the years 2020/2021 to 2025/2026 *“the property has automatically benefited from the £10,000 Landlord’s Contents cover provided under the Victor Insurance Property Owners policy. This cover is included as a standard policy benefit for each insured property.”* Further, that *“There is no additional premium for this cover. The £10,000 limit is automatically granted and is included within the policy at no extra charge”*.
- (j) In a response dated 19 May 2026 the Applicant stated that this information should have been provided by the insurer, not the Respondent’s insurance broker; there was an ongoing inconsistency with the insurance documents and the costs of the landlord’s contents cover had not been properly explained, there was a lack of information and transparency, the landlord’s contents insurance does not benefit the leaseholder, and under the terms of the lease he is only required to contribute towards building insurance. Accordingly, the Applicant submits that the Respondent has not shown that the insurance costs are reasonable and properly payable under the terms of the lease and therefore should not be payable.
- (k) The Tribunal had regard to the evidence from the Respondent in the e mail dated 5 May 2026 from their insurance brokers together with the Applicants’ response dated 19 May 2026. The Tribunal accepted the evidence in the e mail dated 5 May 2026 that the £10,000 Landlord’s contents cover was an automatic benefit of the buildings insurance and that there was no additional cost incurred for this. The Tribunal therefore did not accept that the Applicant was contributing to the Landlord’s contents insurance and formed the view that it was only building insurance costs that were demanded from the Applicant. Therefore, on balance the tribunal considered that insurance premiums are reasonable and payable by the Applicant. In each year, the sum payable represents the Applicant’s contractual contribution of one half of the buildings insurance premium. Having accepted that the level of premium was reasonably incurred, in particular following the revaluation of the reinstatement cost and in the absence of any like-for-like alternative quotation, the Tribunal is satisfied that the resulting sums of £584.39 building insurance for the years 2024 to 2025 and £566.35 building insurance for the years 2025 to 2026 are reasonable and payable.

Application under s.20C of the Landlord and Tenant Act 1985 and refund of fees

14. At the end of the hearing, the Applicant made an application for a refund of the fees that he had paid in respect of the application¹. Having heard the submissions from the parties and taking into account the

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

determinations above, the Tribunal orders the Respondent to refund any fees paid by the Applicant within 28 days of the date of this decision. This is because there was a lack of transparency and delay in the Respondent providing the Applicant with requested information. For example, it was only on the day of the hearing that the Applicant was provided with the letter dated 14 November 2024 confirming that a proper valuation had taken place in 2024.

15. In the application form, in the statement of case and at the hearing, the Applicant applied for an order under section 20C of the 1985 Act. Although the landlord indicated that no costs would be passed through the service charge, for the avoidance of doubt, the tribunal nonetheless determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Respondent may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge.

Name: *Tonya Richards-Clarke*

Date: 9 June 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).