



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

Case reference : LON/00AW/ LSC/2025/1287

Property : Basement Flat, 30 Earls Court Square,
London, SW5 9DQ

Applicants : Aleksandr Al-Dhahir

Representative : N/A

Respondent : Betty Raw

Representative : Knights LLP

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 : Ms S Beckwith MRICS
Mr S Johnson MRICS

Venue : 10 Alfred Place, London WC1E 7LR

Date of decision : 14 July 2026

DECISION

Decisions of the tribunal

- (1) The tribunal determines that the sum of £4,725 is payable by the Applicant in respect of the service charge for the year ending March 2026.
- (2) The tribunal does not make an order under section 20C of the Landlord and Tenant Act 1985 or paragraph 5a of schedule 11 of the Commonhold and Leasehold Reform Act 2002.

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 year ending March 2026.

Procedure

2. The Tribunal issued directions on 18 February 2026.
3. The directions provided for disclosure by the Respondent; the Applicant to submit their statement of case and supporting submissions and evidence; the Respondent to submit their statement of case and supporting submissions and evidence; and the Applicant to reply (if they so wished).
4. The directions allocated the case to the paper track, but gave either party the opportunity to request a hearing. No hearing was requested so the matter has proceeded based on the papers provided to the tribunal.
5. The tribunal has considered the written bundle of 301 pages. Numbers in square brackets relate to the relevant pages in the bundle.
6. The Applicant particularised their case on the form of schedule appended to the directions [164-167]. Each item on that schedule is set out below. No evidence other than the comments on the schedule was submitted by the Applicant. They made a brief reply [187] having received the evidence of the Respondent.

The background

7. The Property which is the subject of this application is a basement flat within a four storey terraced building, divided into four flats. The Applicant has confirmed that they do not reside at the Property.

8. 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.
9. 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 and will be referred to below, where appropriate.
10. The total budget for the year ending March 2026 was £18,900 [233]. The Applicant has been invoiced a total of £4,725, being 25% of the total budget for the building [246, 256].

The lease

11. The lease of the Property is dated 8 December 1989 (“the Lease”) [45-54]. It is made between G K Design Construction Limited and Warren Robert Zeller.
12. Clause 2 sets out the Tenant’s covenant with regards to the Service Charge as follows:

The Tenant hereby covenants with the Landlord to pay to the Landlord 25% of the sums expended by the Landlord in complying with its obligations under Clause 5(1) hereof and of the reasonable charges of the Landlord its Managing Agents or Accountant in connection with the performance of its obligations hereunder and the preparation of the accounts and certificates hereinafter referred to (all of which are hereinafter called “the Service Charge”).

13. Clause 5(1) sets out the services which include (amongst others) insurance; repair and maintenance of the main structure and interior walls, floors and ceilings not demised to any flat; external decoration; and cleaning of the common parts.
14. Clause 3(c) sets out:

The expression “the expenses and outgoings incurred by the Landlord as hereinbefore used shall be deemed to include not only those expenses outgoing and other expenditure hereinbefore described which have been actually disbursed incurred or made by the Landlord during the year in question but also such reasonable sum or sums from time to time as the Landlord or the Landlord’s Accountant or Managing Agents (as the case may be) shall consider desirable to be paid to the Landlord for the purpose of accumulating a reserve fund as a reasonable provision against the prospective expenses and outgoing of the Landlord hereunder Provided that the

amount payable under this sub-clause shall not in any year exceed thirty percent of the total expenses and outgoing actually disbursed incurred or made by the Landlord in the previous financial year.

15. Clause 3(d) of the Lease provides for an interim service charge payment as follows:

The Tenant shall if required by the Landlord with every half yearly payment of rent reserved hereunder pay to the Landlord such sum in advance and on account of the Service Charge as the Landlord or its Accountant or Managing Agents (as the case may be) shall specify at their discretion to be a fair and reasonable interim payment.

The relevant law

16. Section 19 of the 1985 Act it provides as follows:

(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 27A of the 1985 Act gives this tribunal jurisdiction to determine the reasonableness and payability of service charges.
18. The service charge in dispute is the budgeted amount for the year ended March 2026. This falls under Section 19(2) of the 1985 Act.
19. The tribunal notes that the Applicant appears to be under the misapprehension that invoices should be available for budgeted amounts. The service charge year being challenged has been invoiced on account in accordance with Clause 3(d) of the Lease. Once a reconciliation exercise had been undertaken based on the actual costs expended, the Applicant is able to make a further application to challenge the actual charges should they wish to do so. This application would then fall under Section 19(1) of the 1985 Act.

Recharge to freeholder - £1,235

20. The Applicant's schedule states that "*we cannot see where this cost derives from in any of the accounts from recent years*" and requests a refund of £1,235.
21. The Respondent in her witness statement explains that these were recoverable service charge items paid by the landlord to fund the service charge account and owed to her.

The tribunal's decision

22. This is not an item over which the tribunal has jurisdiction.

Reasons for the tribunal's decision

23. The jurisdiction of the tribunal is limited to the payability and/or reasonableness of service charges. This item is not on the service charge budget for the year ending March 2026. It appears to be an accounting issue. The tribunal therefore does not have jurisdiction to make a determination on this item.

Repairs and maintenance - £500

24. The Applicant's schedule states that "*we have seen no evidence of repairs or maintenance, nor been notified what this refers to*". They suggest that they should not pay any contribution to this item.
25. The Respondent's witness statement confirms that this item has covered works within the service charge year including a burst pipe and issues with the guttering and therefore necessary works to the structure and common parts of the building.

The tribunal's decision

26. The tribunal determines that the amount payable by the Applicant in respect of repairs and maintenance is £500.

Reasons for the tribunal's decision

27. The Applicant has not provided any detailed submissions as to why the amount is not payable or not reasonable.
28. Repairs and maintenance of the building is a service within Clause 5(1) of the Lease. The tribunal finds that a total of £2,000 is a reasonable

amount to budget for repairs and maintenance given the nature of the building. The Applicant's share is £500 (25%).

Cleaning - £175

29. The Applicant's comments on this item are that there are "*widespread reports of rodents in the building*". No evidence has been provided in support of this statement.
30. The Applicant further comments that there is "*no evidence of cleaning being carried out for over a year*". No specific timescale is given, nor any supporting evidence to substantiate a lack of cleaning. The Applicant submits that they should pay no contribution to this item.
31. The Respondent confirms that she is not aware of any "widespread rodent infestation". There was a single incident in one flat, which was dealt with promptly and a pest control contractor paid for personally by the Respondent (not recharged to leaseholders).
32. The Respondent confirms that the cleaning charges in the budget relate to regular cleaning services arranged through the managing agent Wilmotts, including power washing of the basement steps.

The tribunal's decision

33. The tribunal determines that the amount payable by the Applicant in respect of cleaning is £175.

Reasons for the tribunal's decision

34. The Applicant has not provided any detailed submissions as to why the amount is not payable or not reasonable.
35. Cleaning of the common parts is a service within Clause 5(1) of the Lease. The tribunal finds that a total of £700 is a reasonable amount to budget for cleaning given the nature of the building. The Applicant's share is £175 (25%).

Reserve - £500

36. The Applicant's case is "*Given the chaotic approach to accounting and habitual firing of management companies, we request our share of the reserve is refunded for the March 2025-March 26 period given it does not appear to have been used*".
37. The Respondent's witness statement confirms that the reserve fund will pay for future works to the building, including repainting of the rear

which is overdue. The fund is held for the benefit of all contributing leaseholders, managed by the managing agent Willmotts and will be properly reflected in the service charge accounts once prepared.

The tribunal's decision

38. The tribunal determines that the amount payable by the Applicant in respect of the reserve fund is £500.

Reasons for the tribunal's decision

39. The Applicant does not appear to understand the purpose of a reserve fund. It is not refunded for a year, if not used within that specific year.
40. A reserve fund is provided for at Clause 3(c) of the Lease. The tribunal finds that a total of £2,000 is a reasonable amount to include in the service charge budget for a reserve fund. The Applicant's share is £500 (25%).

Application under s.20C and refund of fees

41. In the application form, the Applicant applied for an order under section 20C of the 1985 Act and paragraph 5A of schedule 11 of the 2002 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. No further submissions on this point were made in the documents in the bundle. Taking into account the determinations above, the tribunal determines that no order be made under section 20C of the 1985 Act and paragraph 5A of schedule 11 of the 2002 Act.

Name: Ms S Beckwith MRICS

Date: 14 July 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).