FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case References	:	**BIR/00CS/LSC/2024/0618**
Property	:	**150 High Street West Bromwich B70 6JJ**
Applicant	:	**Lessees of Metro Lofts**
Representative	:	**None**
Respondent	:	**Parkway Global Limited**
Representative	:	**None**
Type of Application	:	**An application under Ss 27A & 20C Landlord and Tenant Act 1985 And Schedule 11 para 5A Commonhold and Leasehold Reform Act 2002**
Tribunal	:	**Judge P.J Ellis. Tribunal Member Mr N Wint FRICS Tribunal Member Mr R J Price**
Date of Hearing	:	**21 May 2026**
Date of Decision	:	**16 July 2026**

DECISION

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1. ***The jurisdiction of the Tribunal is limited to determining the reasonableness and payability of service charges for service charge year 2023-24. The Tribunal has determined those matters which have been referred to it as follows.***
    a. ***Lift Repair: Tribunal limits the cost of lift repairs to be included in the service charge account to £4770.***
    b. ***Lift Maintenance £468. The Respondent admitted no work was carried out in the year. That sum is disallowed.***
    c. ***Lift Phone £200. Disallowed as no repair in the year.***
    d. ***Window Cleaning not completed; The sum of £685.44 is deducted from the cleaning budget.***
    e. ***Building Insurance was reasonable and payable.***
    f. ***Apportionment was not pursued.***
    g. ***General Maintenance. The sums of £1315.20 for lift repairs and £500 for CCTV repairs are deducted from the costs of General Repairs included in the calculation of service charge.***
    h. ***The Tribunal reduces the Communal Cleaning item by £1000 from the sum incorporated in the calculation of service charges by reason of unreasonable waste clearance charges.***
    i. ***Management charges. The Tribunal determines 25% (£3045.5) of the account is reasonable and fair in the circumstances.***
2. ***The Tribunal directs that the service charge accounts for the year 2023-2024 be adjusted in accordance with this decision.***

3. ***The Tribunal directs that all or any of the costs incurred or to be incurred by the landlord in connection with these proceedings or in connection with arbitration proceedings or litigation are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge or administration charge payable by the Applicants or any other person specified in the application.***

Introduction and Background

4. This is an application for the determination of the reasonableness and payability of service charges for the years 2021 -2025 but by the time of the hearing the year in dispute was 2023-2024, other years having been resolved by the parties. The application was issued on 29 September 2024. It includes requests for determinations of costs under s20C and Paragraph 5 Schedule 11 Commonhold and Leasehold Reform Act 2022 . First Directions were issued on 28 November 2024.

5. The items in dispute for the year 2023-2024 as appears in the application form were:

a.	Lift Repairs	£7500.00
b.	Lift Maintenance	£468.00
c.	Lift Phone	£200.00
d.	Building Insurance	£9000.00
e.	General Maintenance	£2000-5000
f.	Window seals	unquantified
g.	Double Glazing	unquantified
h.	Late charge waiver	unquantified
i.	Apportionment	To be determined

6. After issue of the Directions the Applicants served their schedule of items in dispute showing claims for determination in relation to the lift repairs, maintenance and the phone in the sums of £7500, £468, and £200 respectively; window cleaning, £1800 and management charges £9800.00. The unquantified complaints relating to the repair of the entry door, CCTV installation and bin store clearance are treated by the Tribunal as part of the claim for determination of General Maintenance.

7. The matter of defective double glazing, window seals and late payment waiver are matters outside the jurisdiction for determination by the Tribunal.

8. The Respondents at the time of issue of the proceedings were Royal Oak Court (Dagenham) Management Limited and Five Rivers (Wolverhampton) Limited a company in liquidation. The liquidator is Mr Sam Shepherd of LBK Insolvency Solutions. The managing agents who were managing the property at the time were Colmore Gaskell Property Management Limited.

9. At that time the Tribunal was informed the liquidator of the Respondent was aware of these proceedings and it was agreed by the parties that Colmore Gaskell would continue as its representative and was directed to prepare a bundle of documents for the hearing.

10. Further Directions were issued on 16 January 2025 following a case management conference. The freehold of the property was sold out of liquidation on 1 July 2025 to Parkway Global Limited. On 15 October 2025 the Tribunal was notified of the sale. On 3 November 2025 the Tribunal directed that Parkway Global Limited be substituted as Respondent to this application and CHL Property Management Limited as its representative, pursuant to Rule 10(1) of the 2013 Tribunal Rules.

11. On 13 April 2026 when giving final directions for the hearing the Tribunal ordered "*the application to join Colmore Gaskell as a party is refused for the reasons already provided. It was the previous landlords managing agent and is not now, nor has been a contracting party to the lease. It is not therefore a proper respondent to this action.*"

12. The matter was heard on 21 May 2026. The Tribunal inspected the property on the morning of the hearing. Ms Hong Ting Ngan presented the Applicants' case. The Respondent did not attend. CHL Block Management did not take any part in the proceedings although Mr Sam Kham of the agents attended the Tribunal on the day of the hearing.

The Property

13. 150 High Street West Bromwich is a block of 47 residential apartments converted from an office block in 2021. Entry to the block is through a door off the High Street. Nearby is a tertiary college. Adjoining is a building of similar size comprising hotel, and short-term business or residential letting. Stairs leading to the upper floors and a lift are in the entrance lobby but no apartments. To the rear of the entrance lobby there is a door opening on to the bin storeroom. On the day of inspection, the lift did not go higher than the second of four floors.

14. The Tribunal also visited apartment number 459 a one-bedroom apartment comprising bathroom, living room and kitchen combined and bedroom on a mezzanine floor. The Tribunal were shown a water leak falling from either a crack in the ceiling or pipework fixed to the ceiling. The roof of the block is above the ceiling of apartments on this floor.

The Lease

15. No dispute was raised regarding the terms of the leases. One lease was produced; it was the lease of Ms Hong made 13 July 2021 for a term of 230 years from 1 September 2020. It appears to have been on standard terms which the Tribunal assume applied to all leaseholders.

16. The terms include at paragraph 1.1 the definition of Services as being "*the services to be provided by the landlord and listed in Part 1 of Schedule 7*". Part 2 of Schedule 7 lists the Service Costs. The landlord's covenants are at Schedule 6 including at paragraph 4.1 an obligation to provide the Services which the landlord has covenanted to observe and perform by clause 6.1 of the lease. The leaseholder's covenants are at Schedule 4 requiring the tenant to pay the rent (paragraph 1) the service charges (paragraph 2) the insurance (paragraph 3) and other costs or charges described in the schedule.Part 1 of Schedule 7 provides a list of the services the landlord will provide.

The Parties submissions

Applicants

17. The Applicants submissions were set out in their entries on the Schedule which the Tribunal prescribed. The matters raised related to the costs of window cleaning, lift maintenance its servicing and repairs, security including door maintenance and CCTV, cleaning and refuse clearing and the costs of the managing agents Colmore Gaskell.

18. The costs budgeting for the subject year was a duplicate of the budget presented for the previous year. Moreover, invoices submitted by Colmore Gaskell as evidence of costs incurred related to work done in 2022, the previous year. The Applicants have not seen invoices for the subject service year. They contend that the managing agents were unresponsive to complaints from them because they neglected their obligations to deliver the services which the landlord had covenanted to perform.

19. Window Cleaning: the obligation to clean windows is at clause (i) of Schedule 7. The property is connected to the neighbouring property by a link which has narrow feature windows. Apartments are behind the windows. The appointed cleaners have not cleaned these windows since 2021. Representations about the failure to clean the windows which has resulted in reduced visibility was either ignored or met with unfulfilled promises to ensure the windows would be cleaned on a future visit. The account was £1800. The Applicants contend the account is excessive because of the failure to complete the job.

20. CCTV: the agents maintained the security cameras were working but on the occasion of an assault by a stranger who had entered the property through an insecure door there was no footage available to give to the police.

21. Cleaning: the bins were not emptied at appropriate intervals resulting in an accumulation of waste in the bin store room. On occasions the accumulation of waste bags reached the ceiling. In July 2025 the new agents appointed an industrial cleaning firm to clear the waste. In addition, there was inadequate signage directing deposit of waste causing accumulations of rubbish in the entrance lobby. The account for cleaning was £9480 which the Applicants

regard as excessive having regard to the poor service evidenced by photographs of the rubbish in the lobby and on the floor of the bin store.

22. Lift Repair: the lift was out of service throughout the relevant period. An invoice for the lift repair was £4,770, dated 7/7/2023. The service charges for the year provided the sum of £7500.00 for lift repairs. Since the lift remained out of service, the Applicants seek a refund of the difference of £2,730.

23. Lift Phone and Maintenance: the budget for the year provided £200 and £468 for these two items. Service charges for the year based on the budget included both items. As there was no serviceable lift and a substantial sum for maintenance was included in the charges it was unreasonable to include these items as additional charges. It was not clear whether the costs had been incurred in any event.

24. Management Charges: Colmore Gaskell charged £916.00 inclusive of Vat each month for their management of the property. The Tribunal was not shown the management agreement nor any evidence of the terms of their appointment. The Applicants complained that Colmore Gaskell failed to manage the property and deliver the services which the landlord had covenanted to provide.

25. Particulars of their failures were given by the Applicants. They failed to ensure the property was secure and residents of the property were safe. Damage to the front door was not remedied resulting in entry by trespassers including homeless sleepers, students from the nearby college and drug users. CCTV was not working properly. On the occasion of a violent incident in the entrance area, there was no video evidence available for the police to investigate the assault.

26. Also, the inadequacy of signage resulted in an accumulation of bags of rubbish in corridors. Inadequate arrangements to clear bins resulted in an accumulation of excess rubbish requiring extraordinary visits to clear the accumulation.

27. The lack of effective attention to the lift was a serious inconvenience to residents. At the time of inspection, the lift ascended only as far as the second of four floors.

28. Water ingress from the roof had not been investigated or no adequate repair has been implemented.

29. The Applicants contended that the management charges were unreasonable by reason of these several factors.

Respondent's submissions

30. No submissions relating to the Applicants schedule of complaints were made by or on behalf of Parkway Global Limited but Mr Sam Kham of CHL supplied a short statement of facts regarding the liquidation of Five Rivers (Wolverhampton) Limited and their appointment as managing agents in July 2025 which was after the relevant period of dispute.

31. Information supplied by CHL on behalf of the new freeholders was that no service charge sums were transferred to the Respondent. CHL had not received final or reconciliation accounts from Colmore Gaskell. No service charge arrears were assigned to the new freeholder. The Respondent has not yet made proposals to adjust the current apportionment methodology.

32. CHL understands that the Property is likely to require significant roof works. CHL is assisting the Landlord by coordinating inspections, professional advice and preparations for future consultation, should major works be required. Any such works will be progressed in accordance with statutory consultation requirements and, if necessary, with Tribunal oversight.

33. Although not party to the proceedings Colmore Gaskell submitted a short response to the Applicants' schedule. They also provided a Respondent's bundle of documents which included their response.

34. The source of the Tribunal's understanding of the Respondent's answer to the Applicants' claim is based upon the statement of Colmore Gaskell.

35. Lift Maintenance: the service charge accounts for the relevant year ending 31.03 2024 show £5613.00 expended in lift maintenance. Although the budgeted sums of £468 and £200 were not incurred in the year the accounts show a deficit of £2387.00.

36. CCTV: the Colmore Gaskell statement states that the CCTV was working although conceded it may have been tampered with. The agent had previously arranged for security guarding to the block which had resulted in an earlier challenge in the Tribunal and the decision to remove the item of cost.

37. Accumulation of Rubbish: the agent denies that the accumulation of rubbish is their fault. Signage had been erected but it was removed by someone.

38. Damage to the entry door: the residents or visitors were responsible for damage to the door which had not been altered during the refurbishment process and was over 20 years old. There was an incident of serious vandalism in 2024 which was repaired following an insurance claim but the door was vandalised again within five days of the new installation.

39. Service Charge accounts show debts due from leaseholders for non-payment of service charges resulting in a deficit. Although not part of these proceedings the position improved in the following year after taking legal action to enforce leaseholder debts.

The Statutory Framework

40. This case is brought under the usual statutory framework derived Sections 18 - 30 of the Landlord and Tenant Act 1985 for the regulation of the relationship between a landlord and tenant of residential property in connection with service charges.

41. S27A provides that an application may be made to the appropriate tribunal for the determination of what charges are payable and by whom. S20C provides that the Tribunal may determine that costs incurred in connection with such proceedings are not to be regarded as relevant costs to be taken into account of any service charge payable by the tenant and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 entitles a tenant to apply for an order extinguishing any litigation costs from an administration charge.

Discussion and Decision

42. Companies House records show that Five Rivers Wolverhampton entered into receivership administration on 21 July 2023. A liquidator was appointed by creditors voluntary resolution on 16 April 2024. Although no evidence was given regarding the relationship between agent and freeholder it is probable that the agent was aware of the financial difficulties of its client. In July 2023 the company instructed to carry out major works to the lift required an upfront payment because a poor credit reference.

43. Nevertheless, the covenants in the lease required the landlord to provide the lessees with services which it failed to do. The present position of the lessees is that they have paid their service charges as they fell due but they have not received the services they are entitled to for whatever reason. The Applicants submissions focussed strongly on frustration with the management of the property as evidenced by the specific matters raised. Their complaint was that the managing agents did not respond to their expectations for repairs and maintenance thereby both risking their security and health.

44. The jurisdiction of the Tribunal is limited to determining the reasonableness and payability of service charges. Unfortunately, neither party produced the service charge invoices. The Respondent’s bundle produced the service charge costs for the relevant year from which the Tribunal have ascertained the actual costs incurred in connection with each item of the Applicants’ complaints. The Respondent’s bundle also included supporting invoices relating to work done on the lift, the window cleaning, door repairs, insurance and management fees. It was not possible to identify actual costs incurred by the waste contractors.

45. The Applicant's submissions relating to the value of the items in dispute was based on the budget figures not the actual costs. In determining a reasonable sum for the disputed items, the Tribunal has relied on the actual costs and supporting invoices as the starting point. Although invoices were produced, they were not presented in a chronological order, many related to years no longer in dispute and few gave details of work actually performed.

46. Having reviewed the parties' submissions and the documents produced the Tribunal determines as follows:

   a. *Lift Repairs: Only one invoice for the year was adduced. The Respondent's costs schedule indicates the sum of £5613 was incurred but the only invoice adduced was for £4770 inclusive of Vat. As no evidence was adduced by the Applicants as to the charges incurred the Tribunal limits the cost of lift repairs to be included in the service charge account to £4770.*
   b. *Lift Maintenance £468. The Respondent admitted on work was carried out in the year. That sum is disallowed.*
   c. *Lift Phone £200. Disallowed as no repair in the year.*
   d. *Window Cleaning. Budget figure was £1800. Actual cost was £2016 inclusive of Vat. Ms Hong repeatedly complained of incomplete attention to the windows of her apartment without recourse. As the work was incomplete the Tribunal determines a reasonable sum for window cleaning is 66% of actual cost £1330.56*
   e. *Building Insurance. Invoices were produced by the Respondent. The Applicants did not produce any evidence that the premium was excessive. It was not raised at the hearing. The Tribunal makes no change to the cost of this item.*
   f. *General Maintenance. The Applicants have relied on the budget figures as the starting point of their claim £2000 for the Retained Parts and £5000 for the Apartments. The actuals for the year were £2899 and £6663.00 respectively. The tribunal is satisfied there was a failure to promptly attend to the persistent problem of the entry door, the CCTV and clearance of the bin store in which there was exceptional*

accumulation creating a health hazard. The cost schedule to the accounts does not itemise these costs. The disclosed invoices for door repairs total £1315.20. The Tribunal determines this sum should be deducted from the costs of General Repairs included in the calculation of service charge. A further sum of £500 is deducted for CCTV costs incurred in failing to ensure the security system was working. As far as the waste clearance is concerned the Applicants have not been well served or received value for the cost of this item. The Tribunal reduces the Communal Cleaning item by £1000 from the sum incorporated in the calculation of service charges.

g. *Save for Management Charges the remaining items were either not pursued or in the case of double glazing were outside the jurisdiction of the Tribunal.*

h. Management Charges: As the financial position of the landlord deteriorated the agent appears to have reduced their engagement with the property. The Applicants complained of persistent lack of attention to their issues. There were serious issues of security and health affecting the property but each month the agent submitted their account for management services. The budget for these costs was £11280 but the actual cost in the service charge schedule was £12182.00. The Tribunal determines 25% (£3045.5) of the account is reasonable and fair in the circumstances.

47. The Tribunal directs that the service charge accounts for the year 2023-2024 be adjusted in accordance with the determination set out in paragraphs 1-4 of this decision. It further directs that the landlord's costs landlord in connection with these proceedings or in connection with arbitration proceedings or litigation are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge or administration charge payable by the Applicants or any other person specified in the application.

Appeal

48. If either party is dissatisfied with this decision they may apply to this Tribunal for permission to appeal to the Upper Tribunal (Lands Chamber). Any such

application must be received within 28 days after these written reasons have been sent to the parties (rule 52 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013).

Judge P.J Ellis