FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**LON/OOBB/LSC/2025/1222/**
Property	:	**Flat 3, 311 Barking Road, Plaistow, London, E13 8EE**
Applicant	:	**Salma Akon**
Representative	:	**H Henry of counsel instructed by Liberty Legal Solicitors**
Respondent	:	**Interface Properties Limited**
Representative	:	**A Stewart-Wallace of counsel instructed by Shahzads Solicitors**
Type of application	:	**Determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	:	**Mr R Waterhouse FRICS** **Ms S Beckwith MRICS**
Venue	:	**10 Alfred Place, London, WC1E 7LR**
Date of hearing/ decision	:	**10 July 2026**

DECISION

Decisions of the Tribunal

(1) The Tribunal determines the service charge for the items challenged for the actual service charge years ending in 31 December as follows;

Service charge year ending 31 December	**Apportioned amount for Flat 3 £**

2021	**21147.37**
2022	**6132.27**
2023	**1937.32**
2024	**1740.20**

(2) The Tribunal determines the service charge for the estimated service charge for the year ending 31 December 2025 as; £2095.72 payable 24 June 2025 and £2095.72 payable 25 December 2025.

(3) The Tribunal determines that £4500.00 is payable in respect of the legal fees.

(4) The Tribunal does not make an order under section 20C of the Landlord and Tenant Act 1985 and the Commonhold and Leasehold Reform Act 2002 Paragraph 5A of Schedule 11.

Background

1. The Applicant made an application received 1 December 2025 [633/664] for determination under section 27A of the Landlord and Tenant Act 1985 as to whether certain service charges are payable. In particular, she claims that the charges for 2018 and 2019 were paid by her predecessor in title as part of a court settlement and she challenges various charges in each year from 2021 to 2024.

2. The Applicant does not seek an [634/664] order pursuant to Section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.

3. Directions [657/664] were given on 12 February 2026 by Judge Nichol for disclosure by the Respondent of all relevant service charge accounts and estimates for the years in dispute, together will all demands for payment of service charges and details of any payments made by 6 March 2026. The Applicant to send their case the Respondent by 2 April 2026, and the Respondent to send their case to the Applicant by 1 May 2026. The Applicant may send a brief reply to the Respondent by the 15 May 2026. The bundle to be supplied by the Applicant by 12 June 2026.

The Property

4. From the Application form the subject property leasehold Flat 3, is [637/664] a three-bedroom property on the second floor. There are 6 flats in total in the building, and the term runs for 125 years from 24 June 2004.

Preliminaries

5. The Tribunal was attended by the Applicant and their representative H Henry of counsel.

6. For the Respondent Mr A Stewart-Wallace of counsel.

7. The day prior to the Tribunal, 7 July 2026, the Respondent had sought for the case to be adjourned. The basis of the request was Mr Asad Chaudhary a director of the Respondent company was required to attend as "witness required[to] attend Court proceeding (sic) at Colchester Magistrates Court listed for trial on 10 July 2026 at 10:00am."

8. Judge Vance refused the request on the basis that the late request was not a good reason given the Tribunal had listed the case as early as 12 February 2026 and notification of the trial date in the Colchester Magistrates Court was given on 5 March 2026. Secondly, Mr Chaudhary is legally represented in the Tribunal case and that his witness statement is short and the facts are unlikely to be disputed. Third that the Respondent may renew their request for a postponement at the hearing.

9. At the hearing the Respondent's representative was content to undertake the hearing and did not repeat the request for postponement. The Tribunal without the benefit of the Respondent being present afforded the witness statement of Mr Chaudhary with the weight of an unexamined document.

10. The Tribunal had the benefit of a bundle of some 664 pages and Skeleton arguments from both the Applicant and the Respondent.

11. The application sought for the Tribunal to make determinations for actual service charge years ending 31 December 2018/19, excluding 2020, and through to 2024.

12. Additionally, the Applicant sought for the Tribunal to make determinations for budget service charge years ending 31 December 2025.

The Lease

13. The full lease is contained in Applicants Exhibit 1 [55/664]

> *" 4. THE Lessee* ***HEREBY COVENANTS*** *with the Lessor as follows:*
>
> *To pay the rents hereby reserved at the times and in the manner provided and if any sums payable by the Lessee to*

the Lessor shall not be paid within twenty-one days of the same being due…the Lessee shall to pay to the Lessor…interest at two percent per annum above the base lending rate for the time being…of Barclays Bank PLC…"

To pay all rates taxes duties assessments charges impositions and outgoings whatsoever which may now or at any time be assessed charged or imposed upon the Demised Premises of any part thereof or upon the owner or occupier in respect thereof and a proper proportion attributable to the Demised Premises of any rated taxes duties levies assessments charges impositions and outgoings now or hereafter assessed taxed charged or imposed upon the Demised Premises in common with the other premises or upon the owners or occupiers thereof and to indemnify and keep indemnified the Lessor against allocations proceedings damages costs claims and demands in respect of the aforementioned matters."

5(4) Pay the Interim Charge and Service Charge at the times and in the manner provided in the Fifth Schedule hereto both such Charges to be recoverable in default as rent in arrears, and to pay a sum of Three Hundred and Fifty Pounds on account of Service Charge at the date hereof"

THE FIFTH SCHEDULE

The Service Charge

1(1) "Total Expenditure" means the total expenditure incurred by the Lessor in any Accounting Period in carrying out his obligation under Clause 6(5) of this Lease and any other costs and expenses reasonably and properly incurred in connection with the Building…"

1(2) The "Service Charge" means such percentage of total Expenditure as is specified …[28%]..or (in respect of the Accounting Period during which this Lease is executed) such proportion of such percentage as is attributable to the period from the date of this Lease to the Thirty first day of December next following.

1(3) "The Interim Charge" means such sum to be paid on account of the Service Charge in respect of each Accounting Period as the Lessor or their Managing Agents shall specify at their discretion to be a fair and reasonable interim payment having regard to anticipate expenditure in the next Accountancy Period and the reserves held.

[…]

3. The first payment of the Interim Charge (on account of the Service Charge for the Accounting Period during which this Lease is executed shall be made on the execution hereof and thereafter the Interim Charge shall be paid to the Lessor by equal payments in advance on the Twenty fourth of June and the Twenty fifth day of December in each year and in case of default the same shall be recoverable from the Lessee as rent in arrears.

[...]

7. The said Certificate shall be conclusive and binding on the parties hereto save in the case of manifest error..."

The Law

14. The law is contained within the Landlord and Tenant Act 1985 with relevant authorities.

15. Section 18 of the Landlord and Tenant Act 1985 ("the Act") defines the concepts of "service charge" and "relevant costs":

(1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent—
(a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and

(b) the whole or part of which varies or may vary according to the relevant costs."

(2) The relevant costs are the costs or estimate costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with matters for which the service charge is payable."

16. Section 19 gives this Tribunal the jurisdiction to determine the reasonableness of any service charge:

"(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."

17. The Supreme Court has recently reviewed the approach that should be adopted by Tribunals in considering the reasonableness of service charges in Williams v Aviva Investors Ground Rent GP Ltd [2023] UKSC 6; [2023] 2 WLR 484. Lord Briggs JSC (at [14]) recognised that the making of a demand for payment of a service charge will have required the landlord (or manager in this case) first to have made a number of discretionary management decisions. These will include what works to carry out or services to perform, with whom to contract for their provision and at what price, and how to apportion the aggregate costs among the tenants benefited by the works or services. To some extent the answers to those questions may be prescribed in the lease, for example by way of a covenant by the landlord to provide a list of specified services, or by a fixed apportionment regime. But even the most rigid and detailed contractual regime is likely to leave important decisions to the discretion of the landlord. A landlord is contractually obliged to act reasonably. This is subject to this Tribunal's jurisdiction under the 1985 Act to determine whether the landlord acted reasonably (see [33]).

18. The Tribunal highlights the following passage from the judgment of Martin Rodger KC, the Deputy President, in Enterprise Home Developments LLP v Adam [2020] UKUT 151 (LC) at [28]: "Much has changed since the Court of Appeal's decision in Yorkbrook v Batten but one important principle remains applicable, namely that it is for the party disputing the reasonableness of sums claimed to establish a prima facie case."

The Issues / discussion

Service charge years ending 31 December 2018 and 31 December 2019

19. The Tribunal heard evidence from the parties in respect of the service charge year ending 31 December 2018 and 2019.

20. The Applicant had purchased the flat at auction with the completion of the sale being 4 March 2021. The previous leaseholder was Mr Ali Karimi and the freeholder was Interface Properties Limited.

21. During the conveyancing process the purchaser was informed that in order to complete a sum of £5789.52 was required to be paid to cover alleged service charge arrears incurred by the vendor.

22. The Respondent Mr Chaudhary in his witness statement [30/664] at paragraph 7 stated that a default County Court Judgement required Mr Karimi the previous owner to pay £5789.52 by 4pm on 5 April 2021. The Respondent believed the Applicant settled the sum as part of the loan requirements during the purchase.

23. Exhibit 28 a letter from Shahzads , solicitors to the Respondent, to the Applicant dated 17 June 2022 states ; [167/664]

“ The said payment of £5789. 52 was paid to out clients solicitors Thirsk Winton LLP on 03 .02. 2021 . The payee of that sum is not shown on the payment slip your have sent to us with your letter. However we believe this sum was paid by your client on account of Mr Karimi (her seller) to enable her to proceed to complete the purchase,

Your client, undertook to pay a further sum of £5337.81 on the 1 March 2021. (before completion of her auction purchase which was outstanding against the previous lessee which had become due which she paid on 1st March 2021 via her solicitors A&R.”

24. The Applicant says [6/664] that it appeared that it had been agreed between the vendor and the freeholder that the seller would be required to pay £5789.52 in respect of ground rent up to 21 December 2021 and service charge up to 31 December 2019. The Applicant understood from the County Court Judgement that by paying a sum of £5789.52 the liability up to 31 December 2019 would be cleared.

25. The Applicant says that on 19 March 2021 they were issued with a “Service Charge Demand” for the period from 1 January 2021 to 31 December 2021 for £26,182.84 this representing the subject property’s proportion.

26. On the 14 March 2022 the Applicant received an End of Year Certificate demanding £21,147.31 being a 28% contribution for the total demanded for the property of £75,526.

27. On 13 March 2022, the Applicant received a service charge demand of £18,319.87 This included service charge demands of £1251.60 for the year 2018 and £2184 for the year 2019. The Applicant being of the understanding they had paid the service charge up to 31 December 2019 through the payment of the £5789.52.

28. The Respondent contended the 2018 and 2019 service year years were settled.

29. The Tribunal did not receive evidence from either party explaining the payments in respect of the service charge years ending 31 December 2018 and 2019.

30. The Tribunal observers that whilst all outstanding liability of service charge and ground rent may have been settled at the point of completion with the payment of the £5789.52, nonetheless it is possible that subsequent reconciliation actual accounts may have included figures which amounted to a subsequent liability for those years.

31. The Tribunal has no evidence on this.

32. The Tribunal's only jurisdiction is to consider whether service charge demands are reasonable in themselves, it does not have jurisdiction to consider whether payments have been made or properly accounted for.

33. The Tribunal received no evidence of the demands of the service charge years ending 31 December 2018 and 2019 from either party.

34. The Applicant's application requests the Tribunal to make a determination in respect of the 2018 and 2019 service charges. The Tribunal has received no evidence from the Applicant that these service charges are unreasonable. The Tribunal has received no evidence of what the demands of £1251.60 and £2184.00 signify. Are they the total demands for the years, are they additional expenditure above the budget sums for those years are they outstanding amounts in terms of the service charge account.

35. In the absence of any evidence as to what the demands for the years 2018 and 2019 relate to, the Tribunal dismisses the application in regard to the service charge years ending 31 December 2018 and 2019.

Actual Service Charge for years ending 31 December 2021, 2022, 2023 and 2024

Service Charge year ending 31 December 2020

36. No challenge was made in respect of this item.

Service Charge year ending 31 December 2021

37. The Applicant notes in the application form, that they received a demand in respect of estimated renovation costs of £21,147.31 [645/664]. Showing in Appendix 6.5A. The Applicant requested Westcolt Surveyors provide a breakdown. The Applicant says no such breakdown was forth coming and the Amira Group Ltd stated that the works had not been completed. [645/664].

38. The Applicant notes [36/664] that the End of Year Certificate 2021 dated 14 March 2022 states the total amount charged for renovation works was £75,526.10. The Applicant being charged 28% of this sum £21,147.73 [36/664]

39. The Applicant contends there was a lack of transparency on the costs and so challenges their reasonableness on this basis.

40. The Respondent says [36/664] there is a breakdown of the initially quoted works in the Amira tender attached to their letter dated 30 September 2020.

41. At [114/664] Applicants Exhibit 14 shows a "Budget: 1st January 2021 to 31 December 2021" service charge for £93,510.16

42. At [135/664] Applicant's Exhibit 19 shows the Certificate of Expenditure for year ending 31 December 2021 for the amount of £ 75,526.10. The Applicant's share being 28%.

43. At [127/664] Applicants Exhibit 17 shows a "Service Charge Demand" of £26,182.84 for the flat 3.

44. At [135/664] Applicants Exhibit 19 shows a "Certificate of Expenditure Service Charges" for year ending 31 December 2021 showing

Management fee	£1500.00
Building Insurance	£2200.00
Major works contribution (80% completed)	£ 63,885.00
Project Management (80% completed)	£6388.50
Drainage Unblocking & Clearance	£1,152.60
Accounts certificate	£400.00
Total	£75.526.10

45. At [137/664] the Applicant Exhibit 19 shows "End of Year certificate of Expenditure" saying that Flat 3 contribution is £21,147.31 based on an apportionment of 28%.

46. The Applicant contended that there was no section 20 consultation process that was validly undertaken nor that they the Applicant had been involved with.

47. The Applicant made reference to the witness statement of Sarah Lorraine Smith. The witness was not present.

48. The Tribunal heard from Ms Akon who gave witness evidence that she had seen works undertaken during 2021-2022 whilst she was renovating her own flat. In Ms Akon's opinion, the works were undertaken by "cowboy builders" and were not of good quality. This was due to the floor

sinking and cables hanging down. No additional evidence of these issues was provided in the bundle.

49. The Respondent referred to the section 20 documentation, contained in the Bundle. A Stage 1 Notice dated 15 January 2020 [416/664], and a Stage 2 Notice dated 25 November 2020 [438/664]. These were sent to Mr Ali Karimi, the leasehold owner of the subject property at the time the notices were served.

50. The Respondent contended the works were supposed to be carried out but because of a lack of funds, caused by the Applicant failing to pay the works were not carried out by Amira.

51. The Respondent says the work has been completed by another party on similar quoted price within a reasonable period. [36/664]

52. Exhibit 13 [105/664] shows the contractor, which was chosen under the section 20 process, Amira provides a Schedule of Works totalling £65,019 plus vat which gives £78,018.00. The works were carried out by two companies; Bogdan Kczynski Builders dated 1 December 2020 of £46,081.20 [403/664] and Sign Maintenance Limited dated 20-08-21, of £33,419.00 [405/664]. The total of these two comes to £79,500.20. The amount actually charged was £63,885.00 (80%) completed and project management (80%) £6388.50.

53. The Respondent says the service charge for the year 31 December 2021 was properly incurred and reasonable and in the absence of any evidence of challenge should be determined as reasonable.

54. The Tribunal in consideration of the witness statement of Sarah Lorraine Smith, notes the witness was not present. The Applicant noted that the witness was concerned about retaliation. The Respondent contended there was no evidence of this nor that there had been any advanced notification that the witness would not be present.

55. The Tribunal has examined the witness statement which purported to be a list of renovation works. The source of this data is said within the statement to be "within my own knowledge or belief save where the contrary appears." The Tribunal is concerned that the list of "renovation works" includes "contingency". Contingency is not something that can be observed. The Tribunal places little weight on the witness statement.

56. The Tribunal finds that Ms Akon did not provide sufficient evidence to demonstrate the works were not of reasonable quality. The Tribunal places no weight on Ms Akon's general unsupported opinion about the contractors being "cowboy builders".

57. The Tribunal has considered the section 20 documentation provided. The Tribunal finds the section 20 process was correctly undertaken.

58. The Tribunal considers that on balance the undertaking of the works by two different contractors that were not involved in the process was not unreasonable.

59. In the absence of specific challenges to the actual service charge for the year ending 31 December 2021 including the major works., the Tribunal does not require the Respondent to justify the specific amounts spent.

60. The Tribunal finds the service charge for year ending 31 December 2021 of £21,147.31 is payable.

Service Charge year ending 31 December 2022

61. By Applicants exhibit 33 [183-184/664] "Certificate of Expenditure Service charges for year ending 31 December 2022 the actual expenditure was;

Management fee £1500.00

Building Insurance £2200

Major works remaining 20% £14,133

Project Management remaining 20% £2973.66

Drainage leaking waste pipe £150.00

Fire risk assessment £ 288.00

Fire Alarm Maintenance work £256.32

Accounts Certificate £400.00

Total £21,900.98

62. The Applicant's proportion of this is 28% which equates to £6,132.27.

63. The Applicant contends there was a lack of transparency on the costs and so challenges their reasonableness on this basis.

64. The Respondent says the service charge for the year 31 December 2022 was properly incurred and reasonable and in the absence of any evidence of challenge should be determined as reasonable.

65. In the absence of specific challenges to the actual service charge for the year ending 31 December 2022 including the remaining 20% of the major works, the Tribunal does not require the Respondent to justify the specific amounts spent.

66. The Tribunal finds the service charge for year ending 31 December 2022 of £21,900.98 is payable. The Applicant's proportion being 28% which equates to £6132.27

Service Charge year ending 31 December 2023

67. By Applicant exhibit 38 [201/664] the certificate of expenditure service charge for year ending 31 December 2023, comprised ;

Management fee £1500.00

Building Insurance £2875.00

Communal Lighting and repairs £545.00

Fire Alarm & Emergency Light service £450.00

Intercom Repairs £555.00

Leak detection £594.00

Certificate of Expenditure £400.00

Total £6919.00

68. This showed a liability of £1937.32 based on the 28% apportionment.

69. The Applicant contends there was a lack of transparency on the costs and so challenges their reasonableness on this basis.

70. The Respondent says the service charge for the year 31 December 2023 was properly incurred and reasonable and in the absence of any evidence of challenge should be determined as reasonable.

71. In the absence of specific challenges to the actual service charge for the year ending 31 December 2023, the Tribunal does not require the Respondent to justify the specific amounts spent.

72. The Tribunal finds the service charge for year ending 31 December 2023 of £6919.00 is payable. The Applicant's proportion being 28% which equates to £1937.32.

Service Charge year 31 December 2024

73. By Applicant’s exhibit 39 [211/664] Certificate of Expenditure Service Charges for year-end 31 December 2024 comprised;

Management fee £1500.00

Building Insurance £2975.0

General Maintenance £890.00

Accounts £850.00

Total £6215.00

74. The Applicant proportion is 28% which equates to £ 1740.20.

75. The Applicant contends there was a lack of transparency on the costs and so challenges their reasonableness on this basis.

76. The Respondent says the service charge for the year 31 December 2024 was properly incurred and reasonable and in the absence of any evidence of challenge should be determined as reasonable.

77. In the absence of specific challenges to the actual service charge for the year ending 31 December 2024, the Tribunal does not require the Respondent to justify the specific amounts spent.

78. The Tribunal finds the service charge for year ending 31 December 2024 of £6215.00 is payable. The Applicant's proportion being 28% which equates to £1740.20.

Budget Service Charges for years ending 31 December 2025 and 31 December 2026.

Budget Service Charge year ending 31 December 2025

79. The Applicant notes [441/664] that the estimated service charge demand for year ending 31 December 2025 was £2095.72 payable on 24 June 2025 and 25 December 2025. Total £4101.44 dated 9 January 2025

80. The Tribunal heard from the parties that the actual service charge had not been reconciled at the date of the application.

81. The budget service charge comprising;

Management fees £1650

Building insurance £2650

General maintenance £1250.00

Communal electric supply and installation £4140

Fire risk assessment £540.00

Fire alarm system service £765.00

Weekly fire alarm testing £2000

Emergency lighting service £312

Communal lighting service £300

Monthly emergency lighting testing £660

Certificate of expenditure £400

Total £14,648.00

82. The Applicants share being 28%.

83. The Applicant contends that there is a lack of transparency in the compilation of the budget service charge and as such the service charge should not be payable.

84. The Respondent contends this is properly payable and reasonable. Further that no evidence has been put forward by the Applicant to suggest otherwise.

85. The Tribunal has heard no evidence that suggests there is doubt in the reasonableness of the service charge. In the absence of such evidence the Respondent is not required to provide proof of the reasonableness.

86. The Tribunal finds the budget service charge for year ending 31 December 2025 of £2095.72 payable on 24 June 2025 and a further payment of £2095.72 payable on 25 December 2025.

Budget Service Charge year ending 31 December 2026

87. The Applicant sought in the hearing for the reasonableness of the budget service charge of year ending 31 December 2026 to be tested.

88. The Respondent contended that no challenge had been made within the application. Therefore, in the absence of the Respondent to properly prepare for this specific challenge the Respondent objected to its inclusion.

89. The Tribunal finds that there is no challenge to the budget service charge year ending 31 December 2026 within the application. The Tribunal refuses the inclusion of this item and will not make a determination in respect of this.

Legal fees

90. The Applicant contends that the Respondent claimed they the Respondent instructed solicitors on 20 May 2022 to recover alleged unpaid service charge from the Applicant and that up to 25 November 2025 they had incurred legal costs in the sum of £9,130.10.

91. The Applicant noted that the sum sought to be recovered was £9,536.15 and so incurring £9,130.10 was "wholly unreasonable and disproportionate".

92. The Bundle papers show a payment was demanded by Westcolt Surveyors on 14 March 2022 [140/664]. Copies of relevant correspondence continue to [182/664] with additional [192 – 200/664].

93. The Respondent contends given the duration of the dispute the quantum of the legal fees is properly incurred and reasonable.

94. The Respondent contends that the following provision may allow for the recovery of the legal costs;

"4. THE Lessee HEREBY COVENANTS with the Lessor as follows:

(9) To pay the Lessor costs charges and expenses including Solicitors' Counsels' and Surveyor's costs and fees at any time during the said term properly incurred by the Lessor in or in contemplation of any proceedings in respect of this Lease under Sections 146 and 147 of the Law of Property Act 1925 or any re-enactment or modification thereof

including in particular all such costs charges and expenses of and incidental to the preparation and service of a notice under the said Sections and of and incidental to the preparation and service of a notice under the said Sections and of and incidental to the inspection of the Demised Premises and the drawing up of Schedules of dilapidation such costs charges and expenses as aforesaid to be payable notwithstanding that forfeiture is avoided otherwise than by relief granted by the Court."

95. The Respondent contends that the following provision would allow for the recovery of the legal costs;

"4. THE Lessee HEREBY COVENANTS with the Lessor as follows:

(2) To pay all rates taxes duties assessments charges impositions and outgoings whatsoever which may now or at any time be assessed charged or imposed upon the Demised Premises or any part thereof or upon the owner or occupier in respect thereof and a proper proportion attributable to the Demised Premises of any rates taxes duties levies assessments charges impositions and outgoings now or hereafter assessed taxed charged or imposed upon the demised Premises in common with other premises or upon the owners or occupiers thereof and to indemnify and keep indemnified the Lessor against all actions proceedings damages costs claims and demands in respect of the aforementioned matters."

96. The Tribunal says the first question the Tribunal must consider is whether such charges are payable under the lease and if so then the Tribunal must consider if they have been properly incurred and finally if the amounts are reasonable.

97. On the question of whether they are payable the Respondent drew the attention of the Tribunal to the lease specifically [55/664].

98. The copy of the lease provided is dated 25 February 2005 and gives the name of the Lessee as Runvir Singh Chaggar.

99. The Applicant says that the contractual lease is not in the name of the Applicant and so cannot cause the Applicant to be liable for legal costs under the lease.

100. The Tribunal says it is common ground the Applicant purchased the lease at auction and completed the purchase. The lease would have been assigned, the original parties to the lease remain on the title page. The Tribunal is confident the Applicant is the lessee for the purposes of the lease and the lease terms will apply.

101. The Tribunal gives consideration of the nature of the dispute for which the legal costs have been accumulated and in doing so has examined the correspondence relating to this issue provided in the Bundle.

102. In her letter to the Tribunal dated 27 November 2025 [265/664], the Applicant states "According to lease document I am liable to pay freeholder's legal cost. Which I agree. But in my situation, it was not necessary to involve solicitor".

103. Exhibit 21 [144/664] notes in letter of 3 May 2022 from Shahzads Solicitors to Ms Akon that "The unpaid service charge is recoverable under the lease as rent arrears and may lead to re-entry by your landlord to forfeit the lease and or other action to recover rent arrears."

104. The Tribunal finds that in the letter of 3 May 2022 the legal costs, contemplated forfeiture and so legal charges are payable under the lease. The lease provides for the recovery of legal costs at 4(9). Therefore, the Tribunal finds that these sums in principle are recoverable under the lease.

105. The Tribunal next considered whether the nature of the dispute for which legal costs were incurred was a proper matter for which the Respondent could reclaim costs. Exhibit 21 dated 3 May 2022 [144/664] notes the nature of the dispute (a) non-payment of service charge and (b) failure to serve Notice of Transfer and Charge and pay Notice Fee.

106. The Tribunal notes the unpaid service charge alleged unpaid amounted to £ 18,319.87. The letter also notes that a demand had been made of the previous owner Mr Ali Karim for £31,520.65. There is no explanation of either charge. The Tribunal finds that the subject matter of the dispute is a proper matter for which legal costs could be recovered under the lease.

107. The Tribunal next considered whether the amount of legal fees was reasonable. The Tribunal notes the correspondence in relation to the dispute extended within the exhibits from 3 May 2022 to 13 November 2025 [277/664].

108. Exhibit 21 notes that "this firm's legal cost incurred by our client must also be paid within 14 days of this letter in the sum of £1000 plus vat total £1200.00."

109. Exhibit 28 [167/664], a letter dated 17 June 2022, states that Shahzads costs from 3 May to 16 June 2022 are £3,658.50 (this is stated as in addition to the £1200 previously noted).

110. Exhibit 37 [193/664] is an invoice from Shahzads Solicitors to Ms Akon for legal fees totalling £4,804.03 plus VAT.

111. Exhibit 40 [215/664] is an invoice dated 28 March 2024 for £1,250 plus VAT to Shahzads Solicitors for barrister's advice. This appears to have been in contemplation of County Conty proceedings, which were never instigated.

112. A further breakdown of costs for the period 10 November 2023 to 24 May 204 [228/664] shows additional solicitors fees of £1,549.46 plus VAT.

113. The amount claimed by the Respondent is £9,130.10 shown in an invoice dated 11 June 2024 [238/664].

114. The Applicant in the Scott Schedule [45/664] suggests the outstanding figure sought as at 9 May 2025 was £9536.15.

115. The Tribunal taking into account the nature of the dispute and the longevity of it determines £4500.00 is reasonable.

Application for section 20 and para 5A schedule 11

116. No application has been made under these grounds by the Applicant.

Chair: Waterhouse FRICS

Date: 10 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).