



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

Case reference : **LON/00BK/LSC/2025/1050**

Property : **Flat 16 Evelyn Court, Stourcliffe Street,
London W1H 5AS**

Applicant : **Evelyn Court Residents Company Ltd**

Representative : **AMZ Law**

Respondent : **Abdulsalam Tayeb**

Representative : **None**

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 J Stewart and Jennifer Rodericks
MRICS**

Venue : **10 Alfred Place, London WC1E 7LR**

**Hearing date and
date of decision** : **15 July 2026**

DECISION

Decisions of the tribunal

The tribunal makes the determinations as set out under the various headings in this Decision.

The application and hearing

1. The Applicant seeks a determination under s.27A of the Landlord and Tenant Act 1985 (“the 1985 Act”) as to whether service charges are payable. This matter was due to be heard on 12 March 2026, which hearing was converted into a case management hearing. A subsequent hearing was held remotely on 4 June 2026. Mr Tom Zhang (of counsel) represented the Applicant.
2. The Respondent was not at either the case management hearing, nor the subsequent hearing. The tribunal considered whether, under Rule 34 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (“the Rules”) it was fair to proceed. On 12 March 2026 the tribunal considered that the Applicant had not made all reasonable steps to notify the Respondent and converted the hearing to a case management hearing. At the 4 June 2026 hearing the tribunal was satisfied that all reasonable steps had now been taken and it was in the interests of justice to proceed.
3. The tribunal took evidence from the Applicant but required further submissions in relation to the apportionment of service charge payable by the Respondent and in particular:
 - a. In relation to service charge year 2023/24, why is the tenant was not being charged 7% of the breakdown set out on page [63] of the bundle?
 - b. In relation to service charge year 2024/25, why is the tenant was not being charged 7% of the breakdown set out on page [66] of the bundle?
 - c. In relation to service charge year 2025/26, what was the basis for the estimated charge of £19,522.26?The Applicants responded on 11 June 2026 with submissions on these points (“the Submissions”).
4. Following responses from the Applicant, the tribunal considered this matter on the papers on 15 July 2026.
5. The tribunal was grateful to the Applicant for providing a bundle of 101 pages. Numbers in square brackets referred to in this decision relate to the relevant page in that bundle.

The background

6. The property which is the subject of this application is a purpose built one bedroom flat (“the Property”) built during the 1930s forming part of an 8 storey block with commercial premises on the ground floor known as Evelyn Court (“the Building”). The Applicant is Evelyn Court Residents Company Limited which holds a leasehold interest dated 12 April 1939 for 90 years from 25 March 1937. The Respondent has a leasehold interest of 16 Evelyn Court under a lease dated 13 July 1970 for 60 years less 10 days from 25 March 1967 (“the Lease”). This is due to expire on 15 March 2027. The freehold of the property is owned by The Portman Estate Nominees (One) Limited and The Portman Estate Nominees (Two) Limited.
7. 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.
8. The long lease held by the Respondent 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 are referred to below, where appropriate.

The Lease

9. The relevant provisions of the Lease are as follows:

Clause 1(a) “Contribution” is defined as meaning “the yearly sum defined by and payable in accordance with the provisions of the Eighth Schedule” [26]

Schedule 6 Lessee’s Covenants

1 “That the Lessee will pay the rent and the Contribution and interim sums referred to in the Eighth Schedule hereto.”

Schedule 7 Lessor’s Covenants

3(a) That the Lessors will keep the Residential Property insured in the full amount (less only such if any sundry amounts of cover relating to some perils in respect of which the insurers may require under their standard comprehensive policy the insured himself to bear the first proportion of loss equivalent to those amounts) of the current cost of rebuilding thereof.....

4. Subject to the provisions of Clause 5(e) of this Underlease that the Lessors will use their best endeavours:

(i) to employ retain or enter into contracts from time to time with independent labour of contractors as requisite for the purposes of fulfilling the obligations in this Clause hereunder set out

(ii) to keep clean and maintain in good order and condition and clean and tidy all such parts of the Reserved Property and the furniture and fittings therein which ought to be so kept and maintained.

(iii) to light adequately at proper times all common parts of the Reserved Property which have hitherto or ought to be kept lighted

(iv) subject to the observance and performance by the Lessee of the provision of sub-clause 15(1) of the last preceding Schedule and the observance and performance by the Lessees and tenants of corresponding provisions in leases of the other Flats to keep the said refuse chute or other means of refuse disposal in reasonably clean and working order and to make and maintain arrangements for the removal and emptying of the dustbin container or other appropriate equipment by the Local Authority

(v) to provide a supply of hot water (a) for the reasonable domestic purposes of the Residential Property and (b) for central heating to the Residential Property from the First day of October to the Thirtieth day of April in every year AND for the purposes of carrying out their obligations hereunder the Lessors shall be entitled to keep an adequate supply of fuel in stock on the Property

(vi) to Keep the lift in the Property in running order and to have the same regularly inspected and examined by qualified persons throughout the said term.

Schedule 8 [48]

“The Contribution shall be a proportionate part of the Lessor’s expenses outgoings and other expenditure incurred by the Lessors as follows:

- All costs, outgoings and expenses whatsoever incurred by the Lessors in and about the discharge of the obligations on the part of the Lessors set out specifically in Part 1 of the Seventh schedule hereto and each and every part thereof (other than Clause 1 thereof)*
- Other costs in Part 1*
- Costs of periodically inspecting, overhauling and replacing each and every part of the Reserved Property and the appurtenances thereof and of carrying out all repairs and redecorations of a consequential nature in any part of the Property*
- Costs of contractors and managing agents.*

Schedule 8 Part II(f): The Contribution is 7%.

The issues

10. The relevant issues for determination by the tribunal are that the Respondent is liable to pay £43,092.25 in service charges comprised of:

- (i) 2021/22 - £274.85
- (ii) 2022/23 - £7,636.68
- (iii) 2023/24 - £6,830.00
- (iv) 2024/25 - £8,828.46
- (v) 2025/26 - £19,522.26

11. 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.

Actual service charge of £274.85 for year 2021/22 [56]

12. The tribunal noted to Mr Zhang that there was no breakdown of the service charge, just a figure in the invoice [56]. No further information was available.

The tribunal's decision

13. The tribunal determines that the amount payable in respect of service charge year 2021/22 is £274.85.

Reasons for the tribunal's decision

14. Despite the tribunal not being provided with a breakdown of the service charge amounts we consider the sum of £274.85 to be sufficiently small to be reasonable in any case and on balance, given the scope of matters in the Seventh Schedule to the Lease which fall within the remit of the landlords, payable. The Respondent has not provided any evidence to show that it is not reasonable or payable.

Actual service charge of £10,282.03 for 2022/23 [60]

15. The total expenditure for 2022/23 for the Building was £111,921.12. The tenant's share of this was 7% which equates to £7,834.48. However the tenant was charged £10,282.03 [58].

The tribunal's decision

16. The tribunal determines that the amount payable in respect of service charge year 2022/23 is £7,834.48.

Reasons for the tribunal's decision

17. The only documents provided to the tribunal by the Applicants were the invoice to the Respondent [58], and the statement of actual service charge expenditure [60]. The electricity/gas charged at £73,374.51 appears to be very high for a building of this type, but it includes central heating and hot water for all the lessees in the Building. In addition, the Respondent has not provided any evidence that this charge is unreasonable. We therefore determine that it is both reasonable and payable. The Lease requires the tenant to pay 7% of the service charges, which is £7,834.48.

Actual service charge of £6,830.00 for 2023/24 [61]

18. The total expenditure for 2023/24 for the Building was £124,182.05 [63]. The tenant's share of this under the Lease was 7% which equates to £8,692.74. However the tenant was charged £6,830.00 [61].

The tribunal's decision

19. The tribunal determines that the amount payable under the Lease in respect of service charge year 2023/24 is £8,692.74 however the tribunal notes that the Applicant has agreed to accept the lower sum of £6,830.00.

Reasons for the tribunal's decision

20. The Respondent has not provided any evidence that the service charges were not reasonable or payable. The Applicant has confirmed in the Submissions that, as there are 18 flats in the Building the Applicant now requires each lessee to pay 5.5% of the overall service charge. The Lease requires the Respondent to pay 7%. As the Lease has not been formally amended, the tribunal must consider the apportionment of 7% to be the payable amount although it notes that this is not being charged to the Respondent.

Actual service charge of £8,828.46 for 2024/25 [66]

21. The total expenditure for 2024/25 for the Building was £94,562.50 (being the £95,000.00 on the statement of service charge expenditure [66] less the ground rent of £437.50 over which the tribunal does not have jurisdiction). The tenant's share of this was 7% which equates to £6,619.38. However the tenant was charged £8,828.46 [64].

22. The Applicant in its Submissions says that the charge of £8,828.46 comprises the following:

- (i) 5.5% of £95,000.00 = £5,225.00
- (ii) 3.96% of insurance premium of £49,329.71 = £1,953.46
- (iii) 5.5% of reserve fund of £30,000 = £1,650.00

The tribunal's decision

23. The tribunal determines that the amount payable in respect of service charge year 2024/25 is £10,072.46.

Reasons for the tribunal's decision

24. The only documents provided to the tribunal by the Applicant were the invoice to the Respondent [64], the breakdown of fees [66], and the Submissions. The Respondent has not provided any evidence that the service charges were not payable or reasonable.
25. The actual service charge was not the £95,000.00 as this included the charge for the ground rent. The amount to be apportioned should have been £94,562.50, of which the tenant should pay 7%. This would therefore be an amount of £6,619.38.
26. Looking at the insurance premium, the Lease requires payment of the Contribution, which is 7% in the Lease, for both service charges and insurance premiums. The Submissions state that insurance premium payable by each of the leaseholders is actually calculated on the square footage of the Property and that the Respondent therefore pays 3.96%. The tribunal has not been provided with any evidence that the Lease has been amended to reflect this. Based on a strict interpretation of the Lease, the Respondent should pay £3,453.08, although the tribunal notes that the Applicants have charged £1,953.46. It is not clear from the documentation provided to the tribunal whether the insurance premium relates solely to the residential parts, or includes the commercial parts of the Building.
27. The Applicants have included a charge in the invoice to the Respondent for 5.5% of a £30,000 Reserve Fund. However, there is no provision in the lease which allows the Applicant to charge for a Reserve Fund. The Eighth Schedule Part II sets out that the landlord may require the tenant to pay an interim sum for a budgeted service charge, with balancing payments once the actual charges are known, but this does not translate to a right for the landlord to set up a Reserve Fund.

28. The tribunal therefore assesses that the sums payable by the Respondent for 2024/25 comprise £6,619.38 for service charge, £3,453.08 for insurance premiums and nothing for Reserve Fund. The Respondent is therefore due to pay £10,072.46.

Budgeted service charge of £19,522.26 for 2025/26 [69]

29. The tribunal was not provided with a breakdown of the estimated service charge for 2025/26, but the Applicant provided limited details in the Submissions. These comprised:

Major works: 5.5% of £208,130.22 = £11,447.16

Additional major works: 5.5% of £21,042.84 = £1,157.36

Budgeted running costs: 5.5% of £90,000.00 = £4,950.00

Insurance premium: 3.96% of £20,723.76 = £820.66

Boiler replacement: 5.5% of £20,856.00 = £1,147.08

The Applicant claimed that the total amount due from the Respondent was £19,522.26.

The tribunal's decision

30. The tribunal determines that the amount payable in respect of the budgeted service charge year 2025/26 is £25,252.69.

Reasons for the tribunal's decision

31. The only documents provided to the tribunal by the Applicant were the invoice to the Respondent [69] and the Submissions. The Respondent has not provided any evidence that the service charges were not payable or reasonable.
32. The tribunal has no evidence as to whether or not the Applicant has complied with its duties to consult. However, as the Respondent has not provided any evidence that this has not happened, the tribunal has assumed that all the necessary consultation requirements have been met.
33. The budgeted Major and Additional Works are, together, £229,173.06. As above, the Respondent is liable to pay 7% of these costs as service charge which is £16,042.11.

34. The budgeted estimated running costs for the Building are £90,000.00. The Respondent is liable to pay 7% which is £6,300.00.
35. The insurance premium is £20,723.76 for which the Respondent is liable to pay 7%. This is £1,450.66.
36. Lastly, the boiler replacement is £20,856.00 for which the Respondent is liable to pay 7%. This is £1,459.92.
37. The tribunal therefore assesses that the sums payable by the Respondent for 2025/26 comprise £23,802.03 for service charge and £1,450.66 for insurance premiums. The Respondent is therefore due to pay £25,252.69.

Name: Judge J Stewart

Date: 15 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).