FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**LON/00AW/LSC/2025/1064**
Property	:	**Flat 1 127 Ilfield Road London SW10 9AR**
Applicants	:	**James Osborne**
Representative	:	**In person**
Respondent	:	**Christina Panayi, Ermis Pittakos and Iakovos Pittakod**
Representative	:	**Christina Panayi**
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	:	**Mrs E Flint FRICS** **Ms S Coughlin MCIEH**
Venue	:	**10 Alfred Place, London WC1E 7LR**
Date of decision	:	**27 July 2026**

DECISION

Decisions of the tribunal

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

(2) The tribunal makes an order under section 20C of the Landlord and Tenant Act 1985.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") [and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act")] as to the amount of service charges and (where applicable) administration charges payable by the Applicant in respect of the service charge years 2019-2025 inclusive.

The hearing

2. The Applicant appeared in person and the Respondents were represented by Chrisina Panayi.

The background

3. The property which is the subject of this application is a first floor flat in a five storey, including basement, building. The ground floor and basement are commercial premises, the three upper floors each contain one flat.

4. 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.

5. 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.

The issues

6. At the start of the hearing the Respondent requested that the application should be struck out as she did not believe that the Applicant was the leaseholder and named applicant. Her belief was essentially based upon a photograph on his WhatsApp account and information said to have been provided by the shop assistants working on the ground floor of the property.

7. The applicant said that he did not live at the premises, had not met his tenants nor the staff in the shop. However, in order to enable the hearing to progress without any further delay he produced his passport.

8. The Respondent accepted that the person attending the hearing was indeed the Applicant.

9. The parties identified the relevant issues for determination as follows:

   (i) The payability and/or reasonableness of service charges for 2019-2025 on the basis that the apportionment of the charges was unfair.

   (ii) Failure of respondent to comply with the consultation procedures in respect of major works in 2017-18.

   (iii) The insurance premiums for each of the years was unreasonable because the apportionment was not in accordance with the lease terms.

10. Having heard evidence and submissions from the parties and considered all of the documents provided, including the lease of the subject flat which had been omitted from the bundle but with the permission of the tribunal was provided by the Respondent landlord after the hearing had closed, the tribunal has made determinations on the various issues as follows.

<u>Apportionment of service charges</u>

11. Ms Panayi said that the service charges for the building were split three ways in accordance with the terms of the lease. She referred to the lease which states "*Paying the further yearly rent (hereinafter called "the service charge") of one third part of the amount paid by the landlord …. In respect of the matters referred to in Clause 4 sub-clauses (1), (2) and (4) hereof …"* She confirmed that each flat was charged one third of the costs incurred.

12. Mr Osborne said he accepted that his share was one third but thought that the service charge only related to internal maintenance. At that point in the hearing he said he was not prepared to confirm that he accepted the proportion of service charges demanded in accordance with the lease. He noted that any excess was to be retained in the reserve fund.

<u>The tribunal's decision</u>

13. The tribunal determines that there was no clause 4 which would include amounts to form part of the service charge. It accepts Ms Panayi's

evidence that each of the flats were charged one third of the total service charges for the building.

Reasons for the Tribunal's decision

14. The landlord's covenants at Clause 3 of the lease states: "The landlord hereby covenants with the Tenant subject to the payment by the tenant of the service charge .... (1) To keep the main walls roofs chimneys and foundations of the building and the drains sewers and all conducting media thereof in good and substantial repair and condition

(2) To decorate such exterior parts of the building including the roof thereof as shall require redecoration as and when the Landlord shall consider it expedient to do so.

15. The lease in the bundle was for Flat 2. Ms Panayi confirmed that the leases for the three flats were on identical terms. The tribunal was able to confirm the proportions following receipt of the lease.

Consultation on major works

16. Mr Osborne said that the paperwork for the major works had not been served in 2017-18.

17. Ms Panayi said that the consultation had been completed. However, as the works were in a period prior to the years in dispute it was not a matter for the tribunal.

The tribunal's decision

18. The tribunal has no jurisdiction to consider matters completed prior to the years in dispute.

Reasons for the tribunal's decision

19. We were not provided with any details regarding the notices or works undertaken. The works were apparently undertaken prior to the years in dispute.

20. Mr Osborne said that he was no longer disputing any individual items in the service charge account, although he still thought it was unfair.

Insurance premium

21. Ms Panayi said that the managing agents apportioned the premium in accordance with the lease provisions. The lease provides for the tenant

to pay three tenths of the amount the landlord expends on the insurance of the building of which the flat forms part. The two buildings 127 and 129 Ifield Road (the six flats) and 114 and 116 Finborough Road (the two commercial premises) are insured together because one of the commercial units includes part of the basement underneath the neighbouring unit.

22. Mr Osborne said he thought that the lease referred to the building as being the three flats and the common parts serving the flats but not the commercial premises below. He was of the opinion that the premiums for the block were higher because of the inclusion of the commercial premises. Nevertheless he accepted that it was prudent for the six flats and two commercial premises to be insured on one policy. He was only concerned that the apportionments were fair.

23. He asserted that the Respondent had failed to show that the insurance costs had been reasonably incurred. He noted that the buildings insurance for 2022-23 was £8,226 compared with £4,689 in the previous year. No explanation for such a large increase had been provided. Moreover, he alleged that there is no evidence that the Landlord undertook any reasonable process in relation to the procurement of insurance, obtaining competitive quotes or determining a fair apportionment of expenditure.

24. The premium for 2019-2020 was in the sum of £1057.16 for the three flats at 127 Ifield Road plus the ground floor pizza shop, including its double basement.

25. The premium for 2020-2021 was in the sum of £2484.75 again for the three flats at 127 Ifield Road and the pizza shop on the ground floor and basement.

26. The premium for 2021-2022 was in the sum of £4,688.50, the invoice does not indicate whether the policy covers the flats and pizza shop, however we have concluded that must be the case as no separate insurance policy was claimed for the commercial element of the building.

27. The premium for 2022-2023 per the landlord's insurance broker was £21016.51. However an insurance schedule stated a total premium of £18,478.43. £6,345.91 was attributed to 114 Finborough Road and £9,857.24 to No.116, leaving £2,273.28 for the six flats. However, the accounts show that £8,226 was charged against 114 Finborough Road and 127 Ifield Road. This leaves £2,273.28 for the six flats. We have adopted the figures on the actual insurance schedule.

28. The accounts for 2023-2024 indicate a premium of £10,048 which we have assumed includes the three flats and the pizza shop as the accounts relate to both. We were provided with a breakdown of a premium of

£23,923.80: 114 Finborough Road £6345.91, 116 Finborough Road £9,857.24 leaving a balance of £7720.65 for the six flats which we have apportioned equally among the flats

29. The accounts show the premium for 2024-25 was £7279.13

30. The budget for 2025-26 includes £4,660 for Buildings insurance. Each flat being charged one third of the premium.

The tribunal's decision

31. The tribunal doing the best it can with the figures provided and taking into account that in later years the insurance policy includes 127 and 129 Ifield Road together with 114 and 116 Finborough Road, which was not anticipated when the lease was granted. This is however a necessity due to the configuration of the occupation of the premises. The tribunal determines that the amount payable in respect of the insurance premiums is as follows:

2019-2012:	3/10th of £1057.16	£317.15
2020-2021:	3/10th of £2484.75	£745.42
2021-2022	3/10th of £4,688.50	£1,406.55
2022-2023	1/6th of £2,273.28	£757.56
2023-2024	1/6thth of £7720.65	£1,286.78
2024-2025	3/10th of £7279.16	£2,183.75

Reasons for the tribunal's decision

32. The lease for Flat 1 does not include a definition of the "building" however the service charge requires the leaseholders to each pay one third of the service charge for the maintenance of the common parts which included the structure above ground floor level plus the entrance hall and staircase leading to the upper floors. We have inferred that for service charge purposes the building must relate only to 127 Ifield Road and not the commercial premises on Finborough Road. This approach is further supported by the leases of the flats at 129 Ifield Road where the leaseholders each pay one third of the service charge and the "Building" is defined as

"*All those flats and premises being situate on the first, second and third floor of 116 Finborough Road and 129 Ifield Road including*

(1) the main entrance door passageway staircase and landing from the main entrance hall on the ground floor to the said flats

(2) All floor and ceilings of the flats and joists .... not included in any demise .... above the level of the first floor joists"

33. However, the lease for Flat 1 requires the lessee to pay 3/10ths of the cost of the buildings insurance for the "Building". It is clear from the insurance documents that the commercial premises at 114 Finborough Road have always been insured with the flats above. We have assumed that "Building" has been given its usual meaning as including the whole building, hence the insurance premium apportionment differs from the service charge apportionment.

34. Mr Osborne did not produce any figures to show that the premiums were unreasonable. Nor was Ms Panayi able to explain the wide variance. We were provided with some evidence that there had been a broker involved in placing the insurance at least from 2024 onwards.

Application under s.20C

34. In the application form, the Applicant applied for an order under section 20C of the 1985 Act. The applicant was of the opinion that it had not been possible to resolve matters without the intervention of the Tribunal, noting that the Respondent had made unfounded allegations regarding his identity and status as a leaseholder. The disclosure had been incomplete.

35. The landlord stated 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 Applicant may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge.

Name: E Flint **Date:** 27 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).