FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	HAV/21UD/LSC/2025/0753
Property	:	3A Nelson Road, Hastings, East Sussex TN34 3RX
Applicant	:	Agnieszka Szuba (tenant)
Representative	:	In person
Respondent	:	Paul Leach and Ella Blackwell (landlords)
Representative	:	Mr D Dalton of Hobdens Property Management Ltd
Type of application	:	Determination of liability to pay service charges s.27A Landlord and Tenant Act 1985
Tribunal Members	:	Tribunal Judge M Loveday Ms C Barton MRICS Mr R Fitz-Robinson
Venue	:	Havant Justice Centre
Date of Hearing	:	13 May 2026 (hearing and 29 May 2026 (reconvene)
Date of decision	:	24 June 2026

DECISION

Introduction

1. This is an application to determine liability to pay service charges under s.27A Landlord and Tenant Act 1985 ("LTA 1985"). The matter relates to a leasehold flat at 3A Nelson Road, Hastings East Sussex TN34 3RX. The Applicant is lessee of the flat and the Respondents are landlords.

Background

2. 3 Nelson Road is an unusual building, located on a narrow triangular corner site at the junction of Nelson Road and Stonefield Road in Hastings. The site also slopes sharply upwards south to north. There is a small concrete surfaced yard facing Stonefield Road with paladin bins, which wraps around the side of the building to form a basement lightwell in Nelson Road. Two 'bridges' (apparently formed by the roofs of vaults below) span the Nelson Road lightwell. One serves the main street door for Flats 1-9, with a communal entrance hall and stairs to the flats in the basement and on the upper floors. The other 'bridge' serves the Applicant's Flat at 3A Nelson Road alone, with its own private street door.

3. The service charge year runs to 31 December in each year. By an application dated 18 August 2025, the Applicant sought a determination of liability to pay charges for the 2022, 2023, 2024 and 2025 service charge years. The Tribunal was later asked to consider some of the costs incurred during the 2026 service charge year. A hearing took place at Havant Justice Centre on 13 May 2026. At the hearing, the Applicant appeared in person, and the Respondents were represented by Mr D Dalton of the managing agents, Hobdens Property Management. It should be mentioned the Tribunal made reasonable adjustments to meet the Applicant's neurodiversity needs, by including clear and structured communication, extra time to respond, and giving short breaks when required.

The Lease

4. The lease of 3A Nelson Road is dated 22 September 2017 and grants a term of 125 years from the lease date. By paras 2.1 and 2.3 the tenant is required to pay an estimated Service Charge in advance by two equal instalments in each year and an actual Service Charge at year end. By clause 1.1, the "Service Charge" is defined as the "Tenant's Proportion of the Service Costs", with the apportionment being 1/13th (0.7693%) of the "Service Costs". The "Service Costs" are then listed in Pt.2 of Sch.7 to the Lease and primarily comprise the costs of providing the "Services" listed in Pt.1 of Sch.7. The full text of Pt.1 of Sch.7 appears in Appx.A to this decision. For present purposes it is worth noting there are various references in Pt.1 of Sch.7 to the "Common Parts" and to the "Retained Parts". These are again both defined terms, and the definitions are also given in Appx.A. The definition of "Common Parts" in clause 1.1 refers to parts "coloured yellow" on "Plan 1". Finally, there is a Lease Plan. The Applicant had identified "discrepancies" between the lease documentation supplied at the time of purchase and the official copy of the lease obtained from HM Land Registry. But she relied on the Land Registry version of the Lease plan as the authoritative document. This clearly shows the 'bridge' leading from Nelson Road to the street door to Flat 3A marked yellow - although the Applicant accepted the yard facing Stonefield Road could also show yellow shading that had faded from the original. It was accepted hat the internal common parts leading to the other flats were not shaded yellow in the Applicant's lease plan.

The Law

5. The Applicant's objections are fourfold:
   (1) Certain relevant costs are not recoverable under the terms of her lease.
   (2) Certain costs were not reasonably incurred under s.19(1)(a) LTA 1985.
   (3) Some works and services were not of a reasonable standard under s.19(1)(b) LTA 1985.
   (4) Some service charges are limited by s.20 LTA 1985.

6. As to the meaning of the lease terms, the principles for interpretation of contracts were helpfully summarised by Lord Neuberger in *Arnold v Britton* [2015] EWSC 36; [2015] A.C. 1619 at [15]:

> "[15] When interpreting a written contract, the court is concerned to identify the intention of the parties by reference to "what a reasonable person having all the background knowledge which would have been available to the parties would have understood them to be using the language in the contract to mean", to quote Lord Hoffmann in *Chartbrook Ltd v Persimmon Homes Ltd* [2009] UKHL 38, [2009] 1 AC 1101, para 14. And it does so by focusing on the meaning of the relevant words, in this case clause 3(2) of each of the 25 leases, in their documentary, factual and commercial context. That meaning has to be assessed in the light of
> (i) the natural and ordinary meaning of the clause,
> (ii) any other relevant provisions of the lease,
> (iii) the overall purpose of the clause and the lease,
> (iv) the facts and circumstances known or assumed by the parties at the time that the document was executed, and
> (v) commercial common sense, but
> (vi) disregarding subjective evidence of any party's intentions."

No special rules of interpretation apply to leases: *Arnold v Britten* at [23].

7. Section 19(1) LTA 1985 is as follows:

> **19 Limitation of service charges: reasonableness.**
> (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.

The approach to the assessment of reasonableness was of course dealt with in some detail by Lewison LJ in *Waaler v Hounslow LBC* [2017] EWCA Civ 45; [2017] 1 WLR 2817. But the statutory context of s.19(1) was explained by Lord Neuberger in *Daejan v Benson* [2013] UKSC 14; [2013] 1 WLR 854 at [42]:

> "It seems clear that sections 19 to 20ZA are directed towards ensuring that tenants of flats are not required (i) to pay for unnecessary services or services which are provided to a defective standard, and (ii) to pay more than they should for services which are necessary and are provided to an acceptable standard. The former purpose is encapsulated in section 19(1)(b) and the latter in section 19(1)(a). The following two sections, namely sections 20 and 20ZA appear to me to be intended to reinforce, and to give practical effect to, those two purposes. This view is confirmed by the titles to those two sections, which echo the title of section 19."

The Issues

8. At the hearing, the Tribunal was asked to determine liability to contribute to numerous items of relevant cost set out in a Scott Schedule. But there were two overarching issues which applied to many of these items. The Tribunal will deal with these two issues, before briefly considering each of the disputed items raised in the Scott Schedule. The Respondents' managing agents operate a service charge year ending on 31 December in each year.

The "Common Parts" issue: maintenance costs for internal communal areas

9. Many of the disputed costs relate to maintenance of the hallways, staircases and other internal areas accessed through the main street door for Flats 1-9. At the hearing, this was dealt with purely as a matter of interpretation of the Lease terms.

10. The Applicant argued that 3A Nelson Road has a separate entrance and no access to the internal communal areas serving Flats 1–9 and the

basement flats. She had no key or means of access to those areas, and she derived no practical use or benefit from them. The Applicant's case was that clause 1.1 of the Lease defines the "Common Parts" by reference to the Lease plan[1]. The building is divided into distinct parts, and the "Common Parts" applicable to each part differ. The Applicant pointed to the Lease plan for basement Flat 4, which clearly showed the yard/bin area, the 'bridge' to the communal entrance door and the internal communal hallways coloured in yellow. By contrast, the Applicant pointed to her own Lease Plan, which had clear yellow shading for the 'bridge' leading to Flat 3A. There were no yellow markings for the other 'bridge' or the communal hall behind the main street door. The plans formed part of the contractual definition of the Common Parts and illustrate which areas of the building are intended to be shared. At the hearing, the Applicant was asked about the apparent lack of colouring on the Lease plan for the external yard area facing Stonefield Road (which includes the "bin area" area and a "meter cupboard"). She accepted the yard, bin area and meter cupboard were expressly referred to in paras (b) to (j) of Pt.1 of Sch.7 to the Lease as part of the "Common Parts". She suggested the lack of yellow colouring indicated the yard area had originally been shaded yellow, but that the plan had faded.

11. The Respondents' case was that the communal street door, the hallway and the stairs fell within the definitions of both the "Common Parts" and the "Retained Parts".

The Tribunal's decision

12. The issue essentially involves ascertaining the meaning of the terms "Common Parts" and "Retained Parts" in Pt.1 of Sch.7 to the Lease. The term "Common Parts" in turn requires a consideration of both the clause 1.1 and the Lease Plan.

[1] The backsheet for the Flat 4 Lease was also provided. The Flat 4 Lease is dated 11 April 2017.

13. Starting with the Lease Plan, the Tribunal was only shown the copy of the Lease and the Lease Plan provided by the Land Registry, and this had of course been scanned and copied on more than one occasion. The suggestion by the Applicant that there may have been discrepancies between various versions of the Lease was not elaborated upon. However, the best evidence of the Lease terms and the form of Lease plan was the version in the bundle.

14. The Tribunal finds the other Lease plan for Flat 4 to be of little real assistance in ascertaining the meaning of the lease of 3A Nelson Road. The two leases have different dates, and the two Lease plans show different areas. There is no evidence the parties to the Lease of 3A Nelson Road would have seen the earlier lease of Flat 4 when they agreed the lease terms. The only material assistance the Flat 4 Lease plan provides is that it shows parts of the main 'bridge', hallways and yard, which were apparently originally shaded yellow, have started to fade. Indeed, a large area of the yard shown on the Flat 4 Lease plan has faded to white. Whether this fading is the result of changes over time, or problems with the scanning/photocopying process, is unclear.

15. The Applicant's case wholly rests on the meaning of the definition of "Common Parts" in clause 1.1. The Tribunal therefore starts with the words used in para (a) of the defined term:

    (1) The expression "the front doors, entrance halls, passages, staircases and landings of the Building". The "front doors" plainly include the private front door for Flat 4A, but the use of the plural is a slight indication that the draftsman contemplated more than one "front door". As to "entrance halls" of the Building, the only "entrance hall" that could refer to is the "Communal Hall" for Flats 1-9 marked on the Lease Plan. As to "passages", that is again apt to describe parts of the internal communal areas serving Flat 1-9, although this is less clear. The only obvious common "staircases and landings" are again located within the communal areas for Flats 1-9.

(2) There is further support for this from the definition of "Services" in Pt.1 of Sch.7. Para (j) expressly includes within the "Services" the cost of "cleaning, maintain, repairing and replacing the floor coverings on the internal areas of the Common Parts". Again, the only obvious areas this refers to are the floors of the communal hallways and stairs serving Flats 1-9.

Taking these together, the Tribunal finds it was the intention of the parties to the Flat 3A Lease that the internal parts serving Flats 1-9 were "Common Parts".

16. This brings the Tribunal to the question of the Lease Plan. Ultimately, there are three reasons why the Tribunal does not consider the words of para (a) of the definition are limited by the colouring on the Lease Plan:

(1) The words "coloured yellow for reference only on Plan 1". The words "for reference only" do not mean the specific wording of para (a) is limited by any plan markings. The use of the words "for reference only" can be contrasted with the demise in Sch.1 to the Lease, which describes the Property as "The part of the upper ground floor of the Building known as 3A Nelson Road Hastings the floor plans of which are shown edged red on Plan 1 …". The word "shown" indicates an intention for the words of Sch.1 to be governed by and subject to plan markings. The words "for reference only" in clause 1.1 do not.

(2) Fading. The Flat 4 Lease plan shows that yellow colouring is prone to the fading effect referred to above. This was conceded by the Applicant. It is therefore unclear, factually, whether the internal communal areas shown on the Lease plan were or were not originally left unshaded. For this reason, the Tribunal cannot place as much weight on the colouring shown on the Lease plan than it might have done of the original was produced.

(3) Colouring of the yard area. The Lease plan for 3A Nelson Road is not apparently shaded. But the "yard", "metre cupboard" and "Refuse Area" plainly fall within the para (b) of the clause 1.1

definition of “Common Parts”. One would therefore have expected the Lease plan to show the yard coloured yellow. The copy provided does not show this area coloured yellow. The Applicant’s explanation, namely that the Lease plan may have faded, is one possibility. But the lack of colouring might equally indicate the draftsman did not consider the colouring on the plan was significant, and that the words used on the body of the Lease were more important. This alternative explanation again lessens the weight the Tribunal attaches to the colouring on the copy of the Lease plan provided.

For these reasons, the Tribunal finds the colouring on the Lease plan does not limit the extent of the “Common Parts” defined by clause 1.1 of the Lease. Those words include the main entrance door, communal hallways and stairs providing access to Flats 1-9 Nelson Road. The Applicant was obliged to contribute to the cost of providing services to those parts set out in paras (b) to (j) of Pt.1 of Sch.7.

17. In any event, the Tribunal also finds these areas of the “Building” were “Retained Parts” and the Applicant was obliged to contribute to the cost of providing services to those parts set out in para (a) of Pt.1 of Sch.7. The opening words of the definition of “Retained Parts” could not be more widely framed. They extend to “all parts of the Building other than the Property and the Flats…” The six subparagraphs are merely examples and clarification of the wide extent of the “Retained Parts”, and the reference in para (d) to the “Common Parts” shows that the “Retained Parts” are more extensive than the Common Parts. If the question asked whether the communal hallway and staircases are “parts of the Building other than [Flat 3A] and the [other] Flats”?, the answer must be “yes”. The plain meaning is that they are considered part of the “Retained Areas”.

18. Finally, there is the sweeper clause at para (k) of Pt.1 of Sch.7. If necessary, the Tribunal would find that the sweeper clause permits the Respondents to include maintenance of these additional parts as being

"for the benefit of the tenants and occupiers of the Building". But in the light of the above findings about rh meaning of the Common parts and retained Parts, that issue does not arise.

19. It follows the Tribunal rejects the Applicant's interpretation. These costs fall within the service charge provisions of the Lease.

Recourse to other sources of funding

20. Several arguments are raised that the Respondents ought properly to have sought payment from insurers, contractors, local authorities and other third parties. Although they involve different facts and different suggested alternative sources of funding, there is a common theme. That theme is whether it was reasonable to incur costs under s.19(1) LTA 1985 where the landlord could have sought payment from third parties.

21. The principles have been dealt with over the years in various different contexts, including insurance, warranties and the Building Safety Fund. In particular, in *Avon Ground Rents v Cowley* [2018] UKUT 92 (LC), the Upper Tribunal considered the costs of repairs which the landlord charged to the service charge account whilst there was a pending claim under an NHBC warranty. The Deputy President said this:

> "54. Nevertheless, I see no reason why the prospect of a receipt from a third party must be certain before it may be taken into consideration in determining the reasonableness of an advance payment. In this case by the time the first advance payment was demanded there was no uncertainty over NHBC's attitude to its own liability, it having said on 8 June 2016 that "in principle we find the claim to be valid." There was some remaining uncertainty between the appellant and NHBC over the apportionment of liability to the particular policies, which could affect the amount which would be received (because the excesses were different under each policy). There was also uncertainty over the date on which payment would be received, since NHBC took the attitude that it wanted all leaseholders to agree that the payments in

respect of their units would be in full and final settlement of its liabilities under the warranties."

He then went on to say:

"57. In my judgment, therefore, the FTT was entitled to conclude that, as at June 2016, a contribution equal to the full cost of the remedial works was not a reasonable advance payment, in circumstances where a payment of a near-equivalent amount was anticipated from NHBC and there was no reason to believe it would be delayed."

22. It follows the Tribunal may properly make a deduction from the recoverable service charges to reflect the likelihood of funding being available from third parties. But the Tribunal will have to consider whether any remaining uncertainties over payment are "significant". In other words, is there any reason to believe payment will be delayed?

2022 relevant costs

Items 1-13: Communal parts cleaning (£895.50)

23. The Applicant argued these cleaning costs related to the internal communal areas which did not serve Flat 3A. No cleaning was carried out to any common parts connected with the Applicant's flat. The Respondents argued the Applicant was required to contribute to these costs since they related to both the "Common Parts" and the "Retained Parts".

24. <u>The Tribunal's decision</u>. This involves the first issue set out above. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £895.50. Her apportioned liability is £68.89.

Items 14-15: Arrow Cleaning (£90)

25. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £6.92.

Items 16-17: Electricity (£96.77)

26. The Applicant argued 50% of this should be allowed. Part related to lighting of the internal communal areas, which was not a recoverable cost under the Lease. In any event, the cost was not reasonably incurred under LTA 1985 s.19 because (a) the lights in the common parts were left on all the time due to defective timer switches which the agents had not repaired, and (b) the lighting was constantly being left on by the local authority tenants in one of the Flats, and the agents should have pursued the local authority for the additional costs generated by their tenants. Mr Dalton agreed that if an apportionment was to be made between external and internal lighting costs, an allowance of 50% was appropriate. But he was unable to respond to the s.19 arguments because these had not been raised before the hearing.

27. The Tribunal's decision. The main question involves the first issue set out above, which the Tribunal has determined against the Applicant. As to the suggestion the electricity costs were not reasonably incurred, Mr Dalton is correct that s.19(1) LTA 1985 arguments were not raised in the Scott Schedule. In particular, there is no real detail about the alleged defects with the timing switches for the lighting. As far as the suggestion the electricity bills have been the increased due to antisocial behaviour by the local authority tenants, there is again very little evidence to support this. But in any event, better evidence would be needed to show the local authority will make some payment for the electricity without any significant delay (see second issue above). Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to the 2022 electricity costs of £96.77. Her apportioned liability is £7.44.

Items 18-21: Gardening services (£200)

28. The Applicant argued there were no gardens or soft landscaped areas. Any routine minor weed growth on the site is dealt with by the tenants. There was no evidence the gardening services were ever provided. The Applicant relied on photographs in the bundle to show this. She had

never seen anyone on site. The Respondents argued that although there was no garden, removing weeds was their responsibility. Mr Dalton referred to the invoice from the gardening contractors, which referred to quarterly "Weedkill extended spray and weed."

29. The Tribunal's decision. The sums involved are fairly modest. The cost is related to quarterly week killing. It is therefore not surprising the Applicant may not have seen the contractors attending. The photographs provided by the Applicant show the site generally to be weed free. There are a few small plants growing between brickwork and walls, but these are consistent with a small amount of weed growth between quarterly visits. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to gardening services of £200.00. Her apportioned liability is £15.38.

Items 22-23: Flat 3 water leak (£786)

30. It is common ground these costs related to site visits by contractors (Metrix Contractors Ltd and Small Build Property Maintenance Ltd) who were investigating the source of a leak into Flat 3. The work included removing a wall and a carpet (including a gripper rod). In the Scott Schedule, the Applicant submitted the cost related to common parts which were not applicable to her. At the hearing, she contended the water leak should have been the subject of an insurance claim. Mr Dalton suggested this was a legitimate cost. But even if it could have been claimed on insurance, agents often took a pragmatic approach to minor water ingress claims. It was often better to incur minor repair costs because of the disproportionate effect that numerous small insurance claims had on premiums.

31. The Tribunal's decision. The Applicant did not pursue the tentative suggestion that the costs were not payable under the Lease. As to the suggestion the costs were unreasonably incurred because they should have been claimed on insurance, there is no evidence the water ingress to Flat 3 was caused by an insurable event. But even if it was, Mr Dalton's

explanation about minor damage claims discharges the burden of showing the costs were reasonably incurred. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to the £786 costs of investigating water ingress into Flat 3. Her apportioned liability is £60.46.

Item 24: Gutter cleaning (£70)

32. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £5.38.

Items 25-36: Management Fees (£~~2,531.32~~ £3,05132)

33. During the 2022 service charge year, the Respondents changed managing agents from Sanders Property Management to Hobdens. There were various invoices in the bundle for agents' fees. Sanders charged £260/month for their basic services and Hobdens charged £259.99 a month. In the Scott Schedule, the Applicant did not dispute these routine monthly charges. However, she objected to additional charges of £185.80 made by Sanders Managements:

(1) 31 January 2022 - £15.48 "Postage from 18th September to 31st December 2021" and £6.00 "On-line banking facility charge".

(2) 3 February 2022 - £48 "SPM Administration fee reference Flat 1 … reminder invoice for Outstanding service charges and Building Insurance".

(3) 31 March 2022 - £50 + VAT (£60) for "… correspondence received regarding the so-called gas leak from Flat 1 …", £38.88 for "Postage 1st January to 24th March 2022" and a £6.00 "On-line banking facility charge".

(4) 30 June 2022 - £5.44 for "Postage 25th March to 17th June 2022" and £6.00 "On-line banking facility charge".

At the hearing, the Applicant suggested these additional costs should have been included in Sanders Management's basic £260 monthly management fee. Mr Dalton acknowledged there was no copy of the agent's retainer or their terms and conditions in the hearing bundle. And he had no information about these charges, which were handled by the previous managing agents. But he accepted the Tribunal's suggestion that it was permissible to consider the RICS Residential Service Charge Management Code (3rd) in order to assess whether it was reasonable to incur additional management charges over and above an agent's basic monthly retainer.

34. A separate argument was raised in relation to the out of hours callouts to investigate the suspected gas leak (£373.86). The agents attended on four occasions to investigate the gas leak. At the hearing, the Applicant suggested the problem was caused by defective flues in Flats 1 and 2, and this was not a Common parts issue.

35. The Applicant has raised a *prima facie* case that the additional costs are not reasonably incurred because they ought to have been included in Sanders Management's basic monthly fee. Without a copy of the agent's retainer or its terms and conditions, the Tribunal has considered the guidance on agents' Annual Fees at para 3.4 of the RICS Code: see Appx. B to this decision. The Tribunal finds that charges for chasing arrears and reminder invoices fall squarely within para 3.4(a)-(c) of the Code, and ought to have been included in the agent's fixed monthly charges. The same applies to routine postage costs, which fall within several headings in para 3.4 of the Code, notably paras 3.4(i) and 3.4(l). As to bank charges, these are not mentioned anywhere in the Code, let alone para 3.4. But in the Tribunal's experience, minor routine bank charges of this kind would not ordinarily be passed onto leaseholders. Finally, the Tribunal notes the 2022 invoices from Hobdens, which took over management during the relevant service charge year, did not include any additional charges for postage, correspondence, additional service charge demands, banking and the like. This further supports the Tribunal's conclusion that none of the additional charges made by Sanders Management were reasonably incurred under s.19(1) LTA 1985.

36. However, the suggestion the agents charged for attending on the premises on four occasions to investigate a gas leak, the 30 March 2022

Sanders Management invoice does not support this contention. The agents do not appear to have made any charges for these visits.

37. For the above reasons, the Tribunal determines under s.27A LTA 1985, that the Applicant is not liable to pay service charges to the Respondents in relation to the £185.80 additional management charges. Her apportioned liability for this is £14.29, and that sum should be deducted from the service charges payable in the 2022 service charge year.

Items 37-38: Water charges (£18.97)

38. This is a very modest item. During the 2022 service charge year, the Respondents incurred water charges/water rates of £18.97. The Applicant argued there was no water supply to the communal areas, and no water was ever used in the "Common Parts" as defined by her Lease. The Respondents did not produce copies of the water rates/water charge invoices. But Mr Dalton argued these minor costs were in all probability simply standing charges or sewerage and drainage charges.

39. The Tribunal's decision. The Tribunal's decision in relation to the Common Parts Issue is set out at paras 12-19 above. But in any event, the Tribunal accepts on the balance of probabilities that the small charges were or standing charges or sewerage/drainage charges. It further finds it was reasonable to incur these relatively modest sums. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to water charges/water rates of £18.97. Her apportioned liability is £1.46.

Items 39-43: Window cleaning (£325)

40. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £25.00.

Items 44-46: Fire alarm (£1,183)

41. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £91.00.

Items 47-48: Accountants (£3,525.47)

42. In the Scott Schedule, the Applicant "partly" admitted liability to pay a service charge contribution towards these costs. But at the hearing, she indicated that she now accepted these charges. Her apportioned liability is £271.96.

2023 relevant costs

Item 49: Accountants (£360)

43. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £27.66.

Item 50: Administration charge (£36)

44. In the Scott Schedule, the Applicant denied liability to pay a service charge contribution towards these costs. At the hearing, she accepted the Respondents' explanation that the admin charges had been recharged to the appropriate leaseholder, and she withdrew her challenge to these costs.

Item 51: Building Insurance (£4,044)

45. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £311.08.

Items 52-63: Communal parts cleaning (£858.50)

46. This raises the same issues as items 1-13 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £858.50. Her apportioned liability is £66.04.

Items 64-75: Electricity (~~£858.50~~ £426.45)

47. This raises the same issues as items 16-17 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of ~~£858.50~~ £426.45. Her apportioned liability is ~~£66.04~~ £32.80.

Item 76: Fire alarm (£690)

48. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £53.08.

Item 77: Communal door lock (£355.20)

49. This charge is for the cost of dealing with problems with the lock to the communal entrance door serving Flats 1-9. There is a job sheet from Metrix Contractors dated 13 January 2023 which explains the communal front door had had intermittent issues which involved the lock chamber just spinning without opening the door. Some residents had then forced the door open, which was likely to have caused further issues/damage. It appears repairs were completed on 2 March 2023. The Applicant's main argument is that she required to contribute to these costs, since they do not relate to the "Common Parts" as defined by her Lease. Furthermore, she argues the costs were not reasonably incurred under s.19(1) LTA 1985, because the lock system should have been repaired under warranty, rather than being replaced. The Respondents suggested there was no evidence of any warranty. In any event, it was likely any warranty would have expired.

50. The Tribunal's decision. The Tribunal's decision in relation to the Common Parts Issue is set out at paras 12-19 above. As to whether the costs could have been paid for under warranty, there is simply no evidence of any warranty covering the kind of defects described by Metrix in their job sheet. The costs are therefore payable under the lease and reasonably incurred under s.19(1) LTA 1985. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the

Respondents for the £355.20 cost of lock repairs. Her apportioned liability is £27.32.

Item 78: Drain works (£150)

51. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £11.54.

Item 79: Light cover (£200)

52. There is a job sheet from Homecare Eastbourne Ltd dated 1 August 2023 which refers to repairs to a damaged light cover on the external lighting. The invoice charges £240 for supplying the new cover. The Applicant argued the costs was excessive for a plastic light cover. The Respondents argued that the work involved the replacement of a damaged outside light with a new PIR LRD bulkhead with hidden screws and plastic cover, as well as 2hrs labour.

53. <u>The Tribunal's decision</u>. The Tribunal accepts the Respondents' case as to what the charge comprised. There is no evidence that other contractors could supply and fit a similar light cover at a cheaper rate. The cost was reasonably incurred under s.19(1) LTA 1985. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay a service charge to the Respondents for the £200 cost of replacing the light cover. Her apportioned liability is £15.38.

Items 80-83: External cleaning (£2,202)

54. Pro Main Solutions provided external cleaning services, including gutter clearance, treating moss on pathways and dealing with fly-tipping. In the Scott Schedule, the Applicant admitted liability to pay a contribution to most of these costs. The only disputed item (No.82) related to the £126 cost of dealing with fly-tipping. The Applicant argued the cost was not reasonably incurred, because the fly-tipping had repeatedly been reported to the managing agents, but the agents had not taken preventative measures to address the underlying problem. The agents had installed a dummy camera, but what was needed was a real CCTV camera. Rather than constantly paying for rubbish removal, the cause

had to be dealt with. For the cost of removing fly tipped rubbish, a proper working CCTV system could have been installed. Most of the fly-tipping was down to one of the tenants of the local authority flats in the basement, who was running an illegal take-away. Action should have been taken against them. In response, Mr Dalston suggested fly-tipping was a fact of modern life. It was unreasonable to expect the agents to be able to eradicate it completely. CCTV would be expensive to install, monitor and maintain, and this was not a block with an overabundance of money. A reasonable landlord could choose a reactive approach to fly-tipping, rather than a pro-active one.

55. The Tribunal's decision. There site is located in a central area of Hastings, and fly-tipping is an unfortunate problem in many such urban areas. Ultimately, it is a matter for the Respondents whether they wish to take a pro-active preventative approach to the problem, or whether they take a reactive approach. And as explained by Lewison LJ in *Waaler* at [37], each option can still produce a reasonable outcome:

> "That said it must always be borne in mind that where the landlord is faced with a choice between different methods of dealing with a problem in the physical fabric of a building (whether the problem arises out of a design defect or not) there may be many outcomes each of which is reasonable. I agree with Mr Beglan that the tribunal should not simply impose its own decision. If the landlord has chosen a course of action which leads to a reasonable outcome the costs of pursuing that course of action will have been reasonably incurred, even if there was another cheaper outcome which was also reasonable".

Here, the work carried out by Pro Main was one solution to fly-tipping, which removed the nuisance. The cost of the work was not challenged. The fact CCTV might produce a better outcome (although there is no evidence that it would) does not render the Respondents' reactive approach to the problem unreasonable. The Tribunal therefore considers the fly-tipping clearance costs were reasonably incurred. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents for the £2,202 cost of external cleaning. Her apportioned liability is £169.38.

Item 84: Communal door work (£84)

56. This minor costs again relates to the communal entrance serving Flats 1-9. The Applicant argues this was not a cost which related to the Common Parts as defined by her Lease.

57. The Tribunal's decision. The Tribunal's decision in relation to the Common Parts Issue is set out at paras 12-19 above. The Tribunal therefore finds these costs are payable under the Lease terms. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents for the £84 cost of work to the communal entrance. Her apportioned liability is £6.46.

Item 85: Flat 2 water leak (£144)

58. There is an invoice from Small Build Property Maintenance dated 23 August 2023 for "Water leak investigation around windows Flat 2". The job sheet notes the issue was "Water ingress through windows/surround - Flat 2". The Applicant argued it was unclear whether this related to the interior of the Flat (which was not within the landlord's repairing obligation) or the exterior of the windows (which was). Furthermore, the cost was not reasonably incurred, because the costs should have bene claimed on insurance. The Respondents suggested the problem was with the fabric of the building, and that this was not an insurable item.

59. The Tribunal's decision. As to the facts, the Tribunal relies on the job sheet. The defect was to the window "surround", which was "around" the window. This caused water to come "through" the window. The Lease includes the "windows and their frames, fittings and glass" within the demise of the Flat: see Sch.1 para 1(f). It follows the external window surrounds are "parts of the Building other than the [Flat] or the Flats", and they are "Retained Parts" as defined by clause 1.1 of the Lease. The Respondents retain an obligation to repair the Retained Parts, and they may pass the cost of doing so onto the lessees through the service charges. It therefore finds the costs were payable under the Lease terms.

As to s.19(1) LTA 1985, there is no evidence this was an insurable risk, still less that any payout from the insurers is likely to be forthcoming (see above). Under s.27A LTA 1985, the Tribunal determines the Applicant is liable to pay service charges to the Respondents for the £144 cost of dealing with water leaks into Flat 2. Her apportioned liability is £11.08.

Items 86-87: Minor works (£864)

60. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £66.46.

Item 88: H&S Assessment (£69)

61. The Respondents provided a copy of the invoice for the H&S reports during the course of the application. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £5.31.

Item 89: Insurance Claim Repairs (£1,843)

62. There is an invoice from Small Build Property Maintenance dated 25 March 2023 for carrying out works "as per estimate number 3134". That estimate is not in the bundle. The Applicant pointed to the fact this was included in the insurance section of the accounts. But absent any supporting documentation, it was not recoverable or reasonably incurred. In the Scott Schedule, the Respondents argued they had claimed on the building insurance policy for work to Flat 3 as a result of a leak. The contactors were paid £1,843 for the work. An insurance claim was made, and the insurers paid out £1,343.20, leaving an excess of £500. At the hearing, Mr Dalton admitted he could not point to any entry in the service charge accounts showing a credit for £1,343.20, although he believed that it had been.

63. <u>The Tribunal's decision</u>. The cost relates to repairs which fall within the landlord's obligations in the Lease. It follows that prima facie the whole cost of these works is borne by the service charge account. The unusual position is that the parties appear to agree an insurance payment of £1,343.20 has been received by the agents. The problem is not really one

of s.19(1)(a) LTA 1985 or an issue withing the Tribunal's statutory jurisdiction. It is rather a question whether the Respondents have properly accounted for the receipt of the insurance moneys. has been received. The Tribunal has no jurisdiction under s.27A LTA 1985 to order the taking of an account or to ensure the insurance payment of £1,343.20 is credited to the service charge account. But the Respondents will no doubt understand that the courts do have power to order the taking of an account – and no doubt they will ensure any insurance payment is properly accounted for.

64. Under s.27A LTA 1985, the Tribunal determines the Applicant is liable to pay service charges to the Respondents in respect of the £1,843. Her apportioned liability is £141.77.

Items 90-97: Hobdens Management Fees (£2,079.92)

65. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £159.99.

Items 98-100: Land Registry search fees (£90)

66. These costs relate to fees for making Lans Registry title searches. The Applicant's original argument was that these were "business overheads" which were not reasonably incurred. However, at the hearing she argued it was unreasonable to incur so many search fees. She pointed to the fact the agents had searched her own title five times over the years: twice in 2023, once in 2024 and once in 2025. Mr Dalton was unable to explain why quite so many searches had proven necessary.

67. <u>The Tribunal's decision</u>. The Applicant has raised a *prima facie* argument that it was unreasonable to incur the cost of so many Land Registry searches during the 2023 service charge year. Absent any explanation by the Respondents, the Tribunal finds these costs were not reasonably incurred under s.19(1). Doing its best, it reduces the relevant costs by £36 (i.e., the Land Registry search conducted on 10 March 2023, which was within a month of the previous search) and it limits the recoverable relevant costs to £54. The Tribunal determines the Applicant

is liable to pay service charges to the Respondents in respect of the £54 costs incurred in searches of the Land Register. Her apportioned liability is £4.15.

Items 101-102: Water charges (£20.02)

68. This raises the same issues as items 37-38 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to water charges/water rates of £20.02. Her apportioned liability is £1.54.

Items 103-107 Window cleaning (£325)

69. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £25.

2024 relevant costs

Item 108: Accountant (£396)

70. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £30.46.

Item 109: Administration charge (£204)

71. This is the same issue as item 50 above. The Applicant withdrew her challenge at the hearing.

Items 110-121: Communal parts cleaning (£865.50)

72. This raises the same issues as items 1-13 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £865.50. Her apportioned liability is £66.58.

Items 122-129: Electricity (£345.67)

73. This raises the same issues as items 16-17 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £197.98. Her apportioned liability is £26.59.

Items 130-133: Fire alarm and safety (£894.22)

74. In the Scott Schedule, the Applicant admitted liability for the largest item of cost, namely £710 for 6-monthly fire safety checks. At the hearing. She also agreed that she was liable to contribute to the costs of the batteries in the fire alarm panel. However, she disputed liability for a callout on 29 February 2024 to supply and install new batteries in the fire alarm panel (£124.22) and for fire door inspections (£60). The Applicant argued the fire alarm panel in the communal entrance hall was not part of the "Common Parts" as defined by her Lease. The fire doors were secondary doors in small lobbies outside Flats 1-9 flats, and they were not a landlord's cost. Mr Dalton argued the alarm panel was part of the "Common Parts" and the "Retained Parts". As to the fire door inspections, these related to the door to the cupboard under the stairs, an electrical and gas meter in the communal hallway, and another cupboard on the first floor. These all required periodic fire safety inspections.

75. <u>The Tribunal's decision</u>. The Tribunal's decision in relation to the Common Parts Issue is set out at paras 12-19 above, and this answers the objection to the fire control panel. As to the cupboards, the Tribunal accepts Mr Dalton's explanation that the inspections were to cupboard doors in the Communal areas serving flats 1-9. These were therefore landlord's costs under Pt.1 of Sch.1 to the Lease. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation fire safety costs of £894.22. Her apportioned liability is £68.79.

Items 133-134: Bike removal (£204)

76. There are invoices from KSB Waste Management dated 28 May and 5 July 2024 for removing bicycles from the railings and other rubbish. The Applicant argued the bikes belonged to the tenants of Flat 1-3, and that they were not attached to any parts serving Flat 3A. At the hearing, she accepted that if this was a genuine fly-tipping issue, she accepted liability to contribute to the cost. The Respondents suggested this was a legitimate cost under the lease terms.

77. The Tribunal's decision. The only railings shown in the bundle photographs are those along the Nelson Road frontage. As such, they are "boundary ... railings" that fall within the defined "Retained Parts" in clause 1.1 of the Lease. Para 1(a) of Pt.1 of Sch.7 to the Lease requires the landlord to clean the railings, and para 1(k) is a sweeping-up clause, which enables the landlord to provide other services for the benefit of the tenants and occupiers of the Building. The Tribunal finds that removing bicycles is part of the landlord's cleaning obligations, even if one of the occupiers who has attached the relevant bicycle to the railings. If not, bike removal is a service which properly falls within the sweeping-up clause. It follows that removal of bicycles from the railings (even if they were attached by the occupiers of Flats 1-3) is no different to dealing with fly-tipping. The Applicant did not suggest the costs were not reasonably incurred. The Tribunal therefore determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £204 cost of removing bicycles from the railings. Her apportioned liability is £15.69.

Items 135-137: Electrical Services (£570)

78. Electrical works were carried out in January and November 2024. The Applicant did not suggest the cost of the works was irrecoverable under the lease terms or that the costs were excessive. However, she argued the costs were not reasonably incurred, for reasons related to the identity of the contractor. Two invoices for £72 were provided in the names of AD Electrical Services Ltd (Company no.10461554) and AD Electrical Services Group Ltd (Company no.10461554) dated 11 January 2024 and 18 January 2024 respectively. A third invoice for £426 was rendered by AD Services Southern Ltd (Company no.10461554) on 27 November 2024. The Applicant said her research showed the only company which actually existed at the time was AD Services Southern Ltd. But that if these were all the same company, she accepted liability to pay. Mr Dalton said he had looked into this, and that they were all the same company.

79. The Tribunal's decision. The Tribunal does not consider the differences between the names of the companies in the three invoices rendered the costs unreasonably incurred. The invoices gave different names for the company, but the same company registration number. There is no dispute the electrical works were carried out, and the Respondents paid for those works. Even if the contractors used the wrong stationery (or they were different companies), this did not in itself result in the lessees paying excessive amounts for the services provided. At worst, the discrepancies meant the works lacked a proper warranty. But there was no evidence these discrepancies resulted in a poor standard of works or that the value of a warranty in relation to the electrical works can be quantified. Moreover, there is no suggestion there was any problem with the November 2024 invoice, which was the largest of the three bills (£426). The Tribunal therefore determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £570 cost of electrical works. Her apportioned liability is £43.85.

Item 138: Communal door lock (£358)

80. This raises the same issues as item 77. For similar reasons to those given in para 49 above, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £358 cost of repairs/key replacement for the lock to the communal door serving Flats 1-9. Her apportioned liability is £27.54.

Item 139: Drain clearance (£75)

81. There is a job sheet dated 26 September 2024 stating that "the drain outside basement flats 1&2 is blocked" and that it needed unblocking. There were photos attached. The unblocking was undertaken by MAITEC Drains and there is an invoice for £75 dated 16 October 2024. The Scott Schedule refers to a description of the works which was not in the bundle, but which states "Cleared both the blocked gullies in the driveway and checked the main line to ensure it was all clear. The one in the photo was blocked with cement residue where someone has been

cleaning cement buckets out causing it to build up in the trap and block the gully. The other was just leaves blocking the grill." The Applicant suggested that if the obstruction was caused by third parties, it did not arise from or serve her Flat. The Respondents said there was actually no evidence that anyone poured concrete down the gullies. But the repairs still fell within the Respondents' repairing and maintenance obligations.

82. The Tribunal's decision. The Tribunal finds it is irrelevant whether the concrete which blocked the gullies (1) was deliberately poured or accidentally allowed into the gullies by third parties, or (2) was deliberately poured or accidentally allowed into the gullies by residents, or (3) was carried into the gullies with rainwater. The gullies required maintenance, and this fell within the Landlord's obligations in Pt.1 of Sch.7 to the Lease. The Tribunal therefore determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £75 cost of unblocking drains. Her apportioned liability is £5.77.

Item 140: Front door re-alignment (£80)

83. This raises the same issues as item 77. For similar reasons to those given above, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £80 cost of repairs/key replacement for the lock to the communal door serving Flats 1-9. Her apportioned liability is £6.15.

Item 141: Excess for Flat 5 works (£500)

84. There is little direct evidence of this item of cost. The Scott Schedule describes it as an "Excess for internal works at Nelson Road" undertaken by Oakheart Construction. There is a note to the effect that the work was "instructed, completed and invoiced after the contractor's company was dissolved". The Respondents explained it was an insurance policy excess which was billed to the service charges because damage was caused to the interior of the Flat by defects in the fabric of the building. At the hearing, the Applicant argued the cost was not reasonably incurred,

because the Respondents paid one of Oakheart's directors after the company was dissolved. Mr Dalton accepted this had happened, but the Respondents had simply paid a bill which had been invoiced.

85. The Tribunal's decision. The facts are not in dispute. Is it unreasonable to incur costs by paying a third party for works undertaken by a dissolved company? The Tribunal bears in mind the purpose of s.19(1) as described by Lord Neuberger in *Daejan v Benson* in the passage quoted above. The lessees obtained the benefit of the works carried out and would have paid the same amount to the Director that they would have done had Oakheart continued trading. Even if questions can be raised about the propriety of paying the Director, the lessees cannot be said to have paid for "unnecessary services or services which are provided to a defective standard". Neither have they paid "more than they should for services which are necessary and are provided to an acceptable standard". In short, the costs were reasonably incurred. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the cost of works to Flat 5. Her apportioned liability of the £500 excess is £38.54.

Item 142: Works to communal front door (£306)

86. This raises the same issues as item 77. For similar reasons to those given in para 48 above, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £306 cost of repairs/key replacement for the lock to the communal door serving Flats 1-9. Her apportioned liability is £23.54.

Item 143-148: Gardening services (~~£517~~ £317)

87. This raises the same issues as items 18-21 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the gardening services of £~~517~~ £317. Her apportioned liability is £~~39.77~~ £24.38.

Item 149: Minor works (£2,340)

88. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £180.

Item 150: External rendering and redecoration (£31,778.70)

89. The most significant challenge relates to the cost of repairs to external render and redecoration in 2024.

90. There are various documents in the bundle showing the chronology of events. On 12 October 2023, a block inspection report identified significant works needed to the external rendering of the block. On 25 March 2024, the agents posted a "Stage 1" Notice of Intention under s.20 LTA 1985 to the Applicant 22 May 2024. This set out a proposal to carry out works described as "external rendering to areas that are allowing water ingress into the building and repainting of the external rendering". The agents then sought quotations from three contractors on their tender list, including Oakheart Construction Ltd. A copy of Oakheart's estimate for £31,778.70 is in the bundle. The costs were later summarised by the agents as follows:

    1. **Scaffolding Hire & Street Permits** – £15,192.00. This covered the erection, hire, and dismantling of scaffolding for the duration of the works, along with the necessary street permits required by the council to legally carry out the project.

    2. **Materials, p**aint & miscellaneous items: £986.70. This included exterior-grade paint, fillers and sealants, brushes, rollers, and other sundry consumables.

    3. **Labour Costs** – £15,600.00. This covered 24 working days for the works team, including preparation, repairs, painting, and finishing. This also included the cost of engaging a third-party soffit and facia cleaning contractor, ensuring all areas were cleaned properly before completion.

On 24 April 2024, the agents sent the Applicant a "Stage 3" statement of estimates with details of the three estimates received. The statement invited observations and stated the consultation period ended on 27 May 2026. It included the following:

> "All of the estimates obtained may be inspected by appointment at 41a Beach Road, Littlehampton, West Sussex, BN17 5JA between the hours of 9am and 5:30pm Monday to Thursday and 9am to 5pm on Friday."

It went on to say that on expiry of the consultation period, it was proposed that a contract be awarded to Oakheart Construction. The agents then issued a purchase note to Oakheart on 22 May 2024, again seeking a quote. On 28 May 2024, an invoice was sent to the agents on the letterhead of Oakheart Construction Ltd. It sought a 50% upfront payment payable to "monzo Jordan Isted 04-00-04 22594422". It appears the agents paid this bill on 28 May 2024. Oakheart erected the scaffolding in July 2024. On completion, the Applicant was invoiced for the balance of £31,778.70 on 17 September 2024, and the agents paid this bill.

91. In the Scott Schedule, the Applicant raised various objections to the costs. But at the hearing, she refined these into four arguments:

(1) The Respondents failed to comply with the consultation requirements of Sch.4 to the Service Charges (Consultation Requirements (England) Regs 2003:

- The "Stage 3" Statement of Estimates suggested the estimates "may be inspected by appointment at 41a Beach Road, Littlehampton, West Sussex, BN17 5JA between the hours of 9am and 5:30pm Monday to Thursday and 9am to 5pm on Friday". Those offices were 56 miles from the subject premises. The Respondents had not therefore specified a "place and hours" for inspection which was "reasonable" in accordance with paras 2 and 4(5)(c) of Pt.2 of Sch.4.
- Lessees made observations in relation to the Notice of Intention, but these were not summarised in the Statement of Estimates, contrary to para 4(5)(b) of the 2003 regulations.

- The consultation period specified in the Statement of Estimates was stated to expire on 27th May 2024, but the purchase note was sent on 22 May 2024. The contractor had effectively been "pre-selected". The Respondents had not therefore allowed sufficient time to consult, contrary to para 5 of Pt.2 to Sch.4 of the 2003 regulations.

(2) It was unreasonable to incur the costs under s.19(1) LTA 1985 because Oakheart Construction Ltd was dissolved on 12 June 2024, by the time the works began. This meant there was no proper insurance or warranty. It was also unlawful to pay third parties for the works. The Applicant suggested that compulsory strike off started on 19 March 2024.

(3) The works were not of a reasonable standard under s.19(1)(b) LTA 1985. The Applicant relied on photographs in the bundle taken in 2022, 2025 and 2026, which purported to show cracks in the render which were not filled but simply painted over, flooded areas to an area of flat roof, paintwork which had started to spall by 2026, broken downpipes left on site and ironwork to the railing gates. There was some evidence the specification was changed, which partly explained why the works were substandard. The Applicant suggested the pain finishes failed because of inadequate priming.

(4) There was no evidence Holden Management was authorised by the freeholder to commission the works.

92. Not all these arguments were articulated in the Applicant's Statement of Case. But Mr Dalton responded as follows:

(1) He submitted the notice was sufficient. Hobden's Littlehampton office was not an unreasonable distance from Hastings, and in any event, the Applicant did not ask for inspection facilities. There had been some emails from lessees during the consultation period, but these had not amounted to "observations" within the meaning of the 2003 regulations. They were merely general queries and requests for information, as opposed to challenges or suggestions relating to the proposed works, and therefore not considered

observations. The process adopted did not deny the lessees an opportunity to make observations. In particular, no payment was made until after the consultation period expired.

(2) He did not accept the agents had failed to vet the contractor properly. They knew the contractor. The insolvency did not affect the standard or cost of the works which were delivered.

(3) As to the standard of works, the elevations were open to the sea air and degraded quickly. It was not easy to get a perfect standard of finish – and the standard reflected the cost. It was for the Tribunal to decide the standard of work from the photographs, but it should be borne in mind that some were taken 2 years after the works were completed.

(4) The agents had full authority from the Respondents. They were 'hands off' and left these matters very much to the agents.

93. Following the submissions, the Tribunal asked whether there was evidence about the comments made by lessees during the consultation period. Both parties had referred to these at the hearing, but there was nothing in the bundle. Permission was therefore given to the parties to submit copies of the documents relied upon following the hearing. The Tribunal was provided with the following:

(1) An email from the Applicant to the agent dated 25 March 2024. This asked the agent to send the "exact scope of work to see what particular work would be carried out" and whether it "would include fixing railings too?".

(2) An email from another lessee also dated 25 March 2024, asking whether there was any pricing that went with the consultation letter.

(3) An email from another lessee dated 1 April 2024, suggesting Martin Bowles Ltd as a possible contractor (n.b. this was one of contractors listed in the "Stage 3" Statement of Estimates.

(4) There were further emails after 24 April 2024.

94. The Tribunal's decision. Starting with the s.20 consultation, it is not disputed the Respondents have complied with the basic requirement to serve a Stage 1 Notice of Intention and a Stage 3 Statement of Estimates.

- The requirement of paras 4(10)(a) and (11) of Pt.2 of Sch.4 is for the Respondents to specify the place and hours at which the estimates may be inspected. By para 2(a), that place must be "reasonable". The test is one of reasonableness, not whether the place is sufficiently convenient: *Ashleigh Court RTM v Di Nuccio* [2015] UKUT 0258 (LC). The Tribunal bears in mind that Hastings is in a relatively rural part of the country, where lessees such as those at 3 Nelson Road may often be expected to travel longer distances to access services. Hastings is also connected to Littlehampton with reasonable road links (1hr 20m-2hrs 10m) and rail links (2hr 8m). It is also evident many lessees were in regular email contact with the managing agents during the relevant period and could contact them that way. Indeed, the Applicant herself contacted the agents by email in response to the consultation process. There is no suggestion of any difficulties in locating the agents' offices in Littlehampton, or that the estimates would not have been available had any of the lessees attended. Taking all this together, the place for inspection was reasonable for the purposes of the regulations.
- Having considered the two emails provided, the Tribunal agrees with Mr Dalton that they are not "observations" that need to be summarised under para 4(5)(b)(2) of Pt.2 of Sch.4. They are questions, and do not comment on the estimates themselves. The purpose of the observations is to assist the Respondents with making a choice between the various estimates. There is nothing of this quality in the two emails provided.
- Finally, there is the suggestion the regulations were breached because the Respondents proceeded with the contract before the expiry of the consultation period on 27 May 2024. The Tribunal notes that the purchase order was not a contractual document, and that a binding agreement with Oakfield appears only to have been

made after 28 May 2024, when the contractors sent their invoice. Sufficient time was therefore allowed for consultation.

95. As to Oakheart's insolvency, this issue has already been dealt with under item 141 above. The lessees have obtained the benefit of the works carried out and paid the same amount they would have if Oakheart had continued trading. The costs were therefore reasonably incurred. Suffice it to say at this stage that the insolvent position of the contractor does raise questions about the agent's supervision of the contract process. This is an issue dealt with below.

96. The third issue relating to the external rendering and decoration works is whether the works were of a reasonable standard under s.19(1)(b). In this context, the Tribunal considers that the "standard" of works is just limited to the physical works themselves. It includes other related matters such as warranties. In this case, the Tribunal takes into account the matters advanced by Mr Dalton. The site is exposed to the sea air, and the standard of works must, to some extent, reflect the price paid. But nevertheless, the Tribunal does not consider the photographs demonstrate the standard of works was reasonable:

(1) There are numerous cracks shown in the 2024 photographs which are still evident in the 2025 and 2026 photographs, despite being painted over with grey paint. The cracks have (in the Tribunal's view) not been raked out and filled.

(2) Filler and/or white paint has been applied crudely to that the detailing on the window cills has effectively been lost.

(3) It is clear that areas of render were spalling within a few months of completion.

(4) As a result of the insolvency of the contractors, it is hard to see how snagging obligations or warranties could be enforced.

97. The issue then arises as to the extent to which the amount payable should be limited as a result of this finding. The Tribunal considers an

appropriate reduction is 25% (£7,944.67) to reflect the standard of works shown in the photographs. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation £23,834.03 of the costs of the external render and decoration works. Her apportioned liability is £1,833.39.

Items 151-155: Management fees (£1,372.79)

98. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £105.60.

Item 156: Land Registry search fees (£30)

99. This raises the same issues as items 98-100 above. However, the number of searches in 2024 appears limited. The Tribunal determines that these costs were reasonably incurred under s.19(1) LTA 1985. The Tribunal determines the Applicant is liable to pay service charges to the Respondents in respect of the £30 costs incurred in searches of the Land Register in 2024. Her apportioned liability is £2.31.

Item 157: Water charges (£6.93)

100. This raises the same issues as items 37-38 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to water charges/water rates of £6.93. Her apportioned liability is £0.53.

Items 158-161: Window cleaning (£260)

101. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £20.

Item 162: Accountants (£408)

102. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £31.38.

Item 163: Building Insurance (£3,920)

103. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £301.54.

Items 164-174: Communal parts cleaning (£750.75)

104. This raises the same issues as items 1-13 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £750.75. Her apportioned liability is £57.75.

Items 175-186: Electricity (£561.03)

105. This raises the same issues as items 16-17 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the 2025 electricity costs of £561.03. Her apportioned liability is £43.16.

Item 187: Satellite dish repairs (£240)

106. There is a job sheet for A&A Aerials dated 28 August 2025 for works to a communal satellite dish. The work is recorded as "Sky Dish and/or Aerial – residents not receiving all channels. The Applicant argued the dish was not connected to her flat and she received no benefit from. The Respondents argued the dish was part of the retained parts for which fell within Pt.1 of Sch.7 to the Lease. At the hearing, the Applicant referred to Regulation 20 in Sch.5 to the Lease, which prohibited residents from fixing "any television or radio aerial, satellite dish or receiver on the Building without the Landlord's prior written consent". Mr Dalton responded by suggesting the prohibition in regulation 20 only extended to lessee's individual satellite dishes, not communal ones.

107. <u>The Tribunal's decision</u>. Clause 1.1 of the Lease defines "Service Media" as "all media for the supply of … television … and all structures, machinery and equipment ancillary to those media". This is apt to include a communal satellite TV dish. Para (e) of the definition of "Retained Parts" expressly includes the "Service Media" which do not exclusively serve the Property or any of the Flats. It follows that a communal dish or aerial is covered by Pt.1 of Sch.7 to the Lease. The

Tribunal does not find regulation 29 as being of assistance. It only relates to dishes erected by individual lessees, and the prohibition is not absolute, since the landlord may consent. The fact the lessee derives no benefit from the dish facility is irrelevant. No doubt if the Applicant wished to connect 3A Nelson Road to the communal dish, that would be possible. The Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £240 cost of satellite dish repairs. Her apportioned liability is £18.46.

Items 188: New key cylinder (£859.20)

108. There is an invoice in the bundle from Hastings Locksmith's Union dated 16 December 2025, which was called out to fit a "Euro" cylinder and supply new keys. In the Scott Schedule, the Applicant argued the cost did not relate to "Common Parts" under her lease. But at the hearing, she argued the damage was caused by a tenant of the local authority, which owned various flats within the block. She argued the Council had accepted responsibility for this cost and that it wanted to speak to the Respondents about them. The cost weas therefore not reasonably incurred under LTA 1985 s.19(1). In relation to this second point, Mr Dalton said there was an "ongoing dialogue" with Hastings BC about compensation for damage caused by their tenants, and he was hopeful the cost could be recharged to the Council. But for the time being this was a repair cost within the Lease which needed to be discharged from the service charge funds.

109. <u>The Tribunal's decision</u>. In part, this raises the same issues as item 77. For similar reasons to those given above, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay this sum under the terms of the Lease. As to the argument under s.19(1) LTA 1985, the Tribunal has dealt with the principles which apply where a leaseholder argues costs should have been recovered from a third party. There is no evidence of an unequivocal commitment by Hastings BC to pay for the locks. For the time being, it is therefore reasonable to incur the costs as service charge items. The Tribunal determines under s.27A LTA 1985

that the Applicant is liable to contribute to the £859.20 cost of repairs/key replacement. Her apportioned liability is £66.09.

Items 189: Roof leak repairs (£756)

110. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £58.15.

Items 190-191: External cleaning (£276)

111. This raises the same issues as items 80-83 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to external cleaning costs of £276. Her apportioned liability is £21.23.

Item 192: Keys for Flats 1-3 (£23.80)

112. There is a reference in the Scott Schedule to costs of £23.80 for "Cylinder/mortice, 1-3 Nelson Rd keys". In the Scott Schedule, the Applicant argued the cost did not relate to "Common Parts" under her lease. But at the hearing, she argued the costs should have been included in the basic management fee for the managing agents, and they were not reasonably incurred under LTA 1985 s.19(1). Mr Dalton said that if lessees lost keys, the cost would normally be re-charged to the lessees. If the agents lost sets of keys, plainly they would pick up that cost themselves. But in this case, the agents simply arranged for additional keys to be cut.

113. <u>The Tribunal's decision</u>. In part, this raises the same issues as item 77. As to the s.19(1) LTA 1985 argument, there is no mention of keys in para 3.4 of the RICS Code, and in the Tribunal's experience it would be unusual for agents to cover such costs themselves. The Tribunal determines under s.27A LTA 1985 that the Applicant is therefore liable to pay service charges to the Respondents in relation to the £23.80 cost of repairs/key replacement for the lock to the communal door serving Flats 1-9. Her apportioned liability is £1.83.

Items-193-196: Gardening services (£208)

114. This raises the same issues as items 18-21 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to gardening services of £208. Her apportioned liability is £16.

Item 197: Flat 1 ceiling repair (£798)

115. The bundle includes an invoice for £798 from Westoaks Builders dated 23 April 2025. It relates to redecoration to the ceiling of Flat 1 following water ingress. The receipt includes narrative explaining there had been a leak in the roof above, that it had been necessary to release the water trapped above the ceiling plaster, allow matters to dry. The Applicant argues the cost was not reasonably incurred under s.19(1) LTA 1985 because the agents should have claimed on the insurance policy. Mr Dalton repeated the argument he made in relation to Items 22-23 about taking a pragmatic approach to insurance claims.

116. The Tribunal's decision. For the reasons given in para 31 above, the Tribunal finds it was reasonable to incur the costs of the works without claiming on the insurance policy. Under s.27A LTA 1985, the Tribunal finds the Applicant is liable to pay service charges to the Respondents in relation to the £798 costs of redecorating Flat 1. Her apportioned liability is £61.38.

Item 198: Supervision fees for external decorations (£3,495.66)

117. This item is necessarily affected by item 150, since it represents the professional fees of the managing supervising the works. Mr Dalton explained the supervision fees were calculated at 11% of the contract price.

118. The Applicant argues the costs should be reduced under s.19(1)((b), because there was no effective supervision of the works. In particular, the contractor was an insolvent company, suggesting a lack of due diligence. Mr Dalton suggested that the contract supervision was

reasonable. The agents oversaw the tender process, conducted s.20 consultation, liaising with contractors, periodic inspection and sign off.

119. The Tribunal's decision. It is inevitable that the findings in relation to item 150, show up some poor service standards. The starting point is a reduction in the supervision fees by 25% to reflect these findings. But in this case, there is a further consideration, namely the agents' failure to recognise the insolvency of the contractor. Whilst charging the Respondents for conducting the tender appraisal, it appears this process failed to flag up the problems with the contractor's solvency. This was a serious failing. The Tribunal therefore limits the recoverable supervision fees by a further 25% to 50% to reflect the standard of supervision services provided. Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the fees for supervising works limited to £1,747.83. Her apportioned liability is £134.45.

Items 199-200 Land Registry search fees (£133)

120. These raise the same issues as items 98-100 above.

121. The Tribunal's decision. The Applicant has raised a *prima facie* case that the frequency of Land Registry searches shows the costs were unreasonably incurred under s.19(1) LTA 1985. Absent any explanation by the Respondents, the Tribunal finds some of the costs were not reasonably incurred. Doing its best, it reduces the relevant costs by £77 (i.e., the Land Registry search conducted on 4 December 2025), which was within a month of the previous search), and it limits the recoverable relevant costs to £56. The Tribunal determines the Applicant is liable to pay service charges to the Respondents in respect of the £56 costs incurred in searches of the Land Register. Her apportioned liability is £4.31.

Items 201-202: Water charges (£52.26)

122. This raises the same issues as items 37-38 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to

pay service charges to the Respondents in relation to water charges/water rates of £52.26. Her apportioned liability is £4.02.

Items 203-208 Window cleaning (£390)

123. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £30.

Item 209: Building insurance (£4,311.63)

124. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £331.66.

Items 210-211: Communal parts cleaning (£136.50)

125. This raises the same issues as items 1-13 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to communal common parts cleaning costs of £136.50. Her apportioned liability is £5.25.

2026 relevant costs

Item 212: Fire safety (£710.70)

126. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £54.67.

Item 213: Callout to gain entry to communal door (£96)

127. This raises the same issues as Item 188 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to the £96 locksmith callout charge. Her apportioned liability is £7.38.

Items 214: External cleaning (£72)

128. This raises the same issues as items 80-83 above. For similar reasons, the Tribunal determines under s.27A LTA 1985 that the Applicant is liable to pay service charges to the Respondents in relation to external cleaning costs of £72. Her apportioned liability is £5.54.

Items 215-216: Land Registry search fees (£91)

129. This raises the same issues as items 98-100 above. ~~The Tribunal determines that these costs were reasonably incurred under s.19(1) LTA 1985. The Tribunal determines the Applicant is liable to pay service charges to the Respondents in respect of the £30 costs incurred in searches of the Land Register. Her apportioned liability is £2.31.~~

130. The Tribunal's decision. The Applicant has raised a *prima facie* case that the frequency of Land Registry searches shows the costs were unreasonably incurred under s.19(1) LTA 1985. Absent any explanation by the Respondents, the Tribunal finds some of the costs were not reasonably incurred. Doing its best, it reduces the relevant costs by £28 ~~£36~~ (i.e., the Land Registry search conducted on 13 February 2026 ~~10 March 2023~~, which was within a month of the previous search), and it limits the recoverable relevant costs to £63 ~~£54~~. The Tribunal determines the Applicant is liable to pay service charges to the Respondents in respect of the £63 ~~£54~~ costs incurred in searches of the Land Register. Her apportioned liability is £4.84 ~~£4.15~~.

Item 217 Window cleaning (£65)

131. In the Scott Schedule, the Applicant admitted liability to pay a service charge contribution towards these costs. Her apportioned liability is £5.00.

Costs: s.20C LTA 1985 and para 5A of Sch.11 to CALRA 2002

132. There are applications for limitation of costs under s.20C LTA 1985 and under para 5A of Sch.11 to the Commonhold and Leasehold Reform Act 2002 ("CALRA 2002"). The case law and principles are summarised in *Conway v Jam Factory* [2013] UKUT 0592 (LC) at [51] to [58]. In *Schilling v Canary Riverside Development PTE Limited* (2006) LRX/26/2005, HHJ Rich stated at [14] that:

> "In service charge cases, the "outcome" cannot be measured merely by whether the Applicant has succeeded in obtaining a reduction. That would be to make an Order "follow the event". Weight should be given rather to the degree of success, that is the proportionality

between the complaints and the Determination, and to the proportionality of the complaint, that is between any reduction achieved and the total of service charges on the one hand and the costs of the dispute on the other hand."

Similar principles apply to para 5A of Sch.11 to the 2002 Act.

133. In this instance, the Applicant has succeeded in achieving a significant reduction in her service charge liability. On numerous other issues, she has failed. Based on the circumstances of the "outcome" alone, the Tribunal considers it would be just and equitable to make an order that 50% of the Respondents' costs incurred in connection with proceedings before the Tribunal should be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the Applicant. The Tribunal did not consider there were any other features of the application which made it just and equitable to depart from this assessment. It therefore makes a s.20C LTA 1985 order limiting the Respondents' recoverable Tribunal costs to 50%. And for similar reasons an order is made under para 5A of Sch.11 to CALRA 2002 reducing any administration charges in respect of litigation costs to 50%.

Conclusions

134. The Tribunal finds most of the service charges are payable by the Applicant to the Respondent. But the following service charges are limited or not payable:

(1) Items 98-100: Land Registry search fees (£90). The Tribunal determines the Applicant is liable to pay service charges in respect of £54 for costs incurred in searches of the Land Register. Her apportioned liability is £4.15.

(2) Item 150: External render and decorations (£31,778.70). The Tribunal determines the Applicant is liable to pay service charges for these works limited to £23,834.03 (75%). Her apportioned liability is £1,833.39.

(3) Item 198: Supervision fees for external decorations (£3,495.66). The Tribunal determines the Applicant is liable to pay service charges for supervision fees limited to £1,747.83 (50%). Her

apportioned liability is £134.45.

(1) Items 199-200: Land Registry search fees (£133). The Tribunal determines the Applicant is liable to pay service charges in respect of the £56 costs incurred in searches of the Land Register. Her apportioned liability is £4.31.

(2) Items 215-216: Land Registry search fees (£91). The Tribunal determines the Applicant is liable to pay service charges in respect of the £63 ~~£30~~ costs incurred in searches of the Land Register. Her apportioned liability is <u>£4.84</u> ~~£2.31~~.

135. The Tribunal orders under s.20C LTA 1985, that 50% of the Respondents' costs incurred in connection with the Tribunal proceedings shall not be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the Applicant.

136. The Tribunal further orders under para 5A of Sch.11 to CALRA 2002, that any administration charge in respect of litigation costs in connection with the Tribunal proceedings shall be limited by 50%.

Decision corrected by the Tribunal on 10 August 2026 under r.50 Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013

RIGHTS OF APPEAL

1. A written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case at the Regional office which has been dealing with the case by email at rpsouthern@justice.gov.uk.

2. The application for permission to appeal must arrive at the Regional office within 28 days after the date this decision is sent to the parties.

3. 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.

4. The application for permission to appeal must state the grounds of appeal and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.

APPENDIX A: Lease Covenants

...

1.1 Definitions

...

Common Parts: these are:

(a) the front doors, entrance halls, passages, staircases and landings of the Building; and

(b) the external paths, driveways, yard, metre, cupboard, staircases and Refuse Area at the Building;

that are not part of the Property or the Flats (and are coloured yellow for reference only on Plan 1) and which are intended to be used by the tenants and occupiers of the Building.

...

Retained Parts: all parts of the building other than the property and the flats, including:

(a) the main structure of the Building, including the roof and roof structures, the foundations, the external walls and internal load bearing walls, structural timbers, the joists and the guttering;

(b) all parts of the Building lying below the floor surfaces or above the ceilings;

(c) all external decorative surfaces of:

(i) the Building;

(ii) external doors;

(iii) external door frame; And

(iv) external window framed;

(d) the common parts;

(e) the Service Media at the Building, which do not exclusively serve either the Property or the Flats; and

(f) all boundary walls and railings of the Building.

SCHEDULE 7

Schedule 7, Services and Service Costs, Part 1, the Services are:

(a) cleaning, maintaining, decorating, repairing and replacing the Retained Parts;
(b) providing heating to the internal areas of the Common Parts during such periods of the year as the Lessor reasonably considers appropriate, and cleaning, maintaining, repairing and replacing the heating machinery and equipment,
(c) lighting the Common Parts and cleaning, maintaining, repairing and replacing lighting, machinery and equipment on the Common Parts,
(d) cleaning, maintaining, repairing and replacing the furniture, fittings, and equipment in the Common Parts,
(e) cleaning, maintaining, repairing, operating and replacing security machinery and equipment (including closed circuit television) on the Common Parts,
(f) cleaning, maintaining, repairing, operating and replacing fire prevention, detection and fighting machinery and equipment and fire alarms on the Common Parts,
(g) cleaning, maintaining, repairing, and replacing refuse bins on the Common Parts,
(h) cleaning the outside of the windows of the Building,
(i) cleaning, maintaining, repairing and replacing signage for the Common Parts,
(j) cleaning, maintaining, repairing and replacing the floor coverings on the internal areas of the Common Parts,
(k) any other service or amenity that the Lessor may in its reasonable discretion (acting in accordance with the principles of good estate management) provide for the benefit of the tenants and occupiers of the Building.

APPENDIX B: EXTRACT FORM RICS CODE

3.4 Annual fee

Subject to the terms of any written contract, for an annual fee (where the level of service provided will normally have regard to the amount of the fee), a managing agent should normally carry out the following work:

a) prepare invoices for and collect service charges from leaseholders

b) instruct, with the client's consent, solicitors or debt recovery agents in the collection of unpaid service charges, subject to any statutory procedures that need to be followed. (Preparing for and attendance at courts/tribunals is not normally covered by the annual fee.)

c) prepare and submit service charge statements and demand service charge contributions

d) pay for general maintenance out of funds provided and ensure that service charges and all outgoing monies are used for the purposes specified under the lease and in accordance with legislation

e) produce annual spending estimates/budgets to calculate service charges and reserves, as well as administering the funds

f) produce and circulate service charge accounts that comply with TECH 03/11 and supply information to leaseholders and any residents' association, liaising with and providing information to accountants where required

g) administer building and other insurance if instructed and authorised, subject to Financial Conduct Authority (FCA) regulations

h) if instructed, on behalf of clients engage and supervise staff such as caretakers, gardeners and cleaners

i) arrange and manage contracts and services in respect of, for example, lifts, boilers and cleaning

j) arrange periodic health and safety, fire and other appropriate risk assessments in accordance with the statutory requirements and, where necessary, in liaison with the relevant public authorities
k) visit the property to visually check its condition and deal with minor repairs to buildings, plant, fixtures and fittings. An appropriate frequency for visits should be agreed with the client and set out in the contract
l) deal reasonably and as promptly as possible with enquiries from leaseholders having regard to any requirements or constraints in the contract
m) keep records on leases having regard to the data protection legislation
n) keep clients informed of changes in legal requirements, including any statutory notices and other requirements of public authorities, and check compliance with lease terms; and
o) advise on day-to-day management policy.er para 3.4 of the RICS