



FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference : LON/00AL/LSC/2025/1005, 1071, 1149

Property : (1) Apartment 302, Halpin Building, 5 Rennie Street, London, SE10 0XT
(2) Flat 22, Coneybear Point, 10 Peartree Way, London SE10 0JW
(3) Munyard House, 2 Latimer Square, London SE10 0NP

Applicants : (1) Dimitry Sarin and Ms Nomundari Bold
(2) Muhammed Zunair Hamid
(3) Irina Velkova & other leaseholders as per the schedule attached to this decision

Respondent : Peartree Village Management Ltd

Representative : Brethertons LLP

Type of application : An application under section 27A Landlord and Tenant Act 1985

Tribunal : Judge N O'Brien
Mr P Morris FRICS FAAV

Date of Decision : 8 June 2026
28 July 2026

AMENDED DECISION OF THE TRIBUNAL

We exercise our powers under Rule 50 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 correct the clerical mistake, accidental slip or omission at paragraph 20 of our Decision dated 8 June 2026. Our amendments are made in bold red type. We have corrected our original Decision because of a typographical error.

- (1) The tribunal makes the determinations set out in paragraphs 21, 33 and 35 below.
- (2) The Tribunal makes an order under Paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.
- (3) The Tribunal does not make any order under Section 20C of the Landlord and Tenant Act 1985.
- (4) The Respondent must reimburse the Applicants in respect of the tribunal fees they have paid within 28 days of this determination.

THE PROCEEDINGS

1. This is a decision in respect of three applications for the determination of service charges for the years 2022/2023 to 2024/2025 in respect of three separate blocks in Peartree Village, part of the Greenwich Millenium Estate. Peartree Village is a substantial development presently consisting of 25 separate purpose-built blocks built in the mid-late 2010's. The applications were directed to be heard together by order of Judge Nicol on 16 February 2026.
2. The applications are;
 - (i) LON/00AL/LSC/2025/1005, brought by Mr Dmitry Sarin and Ms N Bold, the leaseholders of Apartment 302, Halpin Building, 5 Rennie Street, Greenwich, London, SE10 0XT. Halpin House is a purpose built 4 storey block with 18 flats and 4 ground floor maisonettes.
 - (ii) LON/00AL/LSC/2025/1071, brought by Mr Muhammad Zunair Hamid, the leaseholder of Flat 22 Coneybear Point, 10 Peartree Way, Greenwich, London, SE10 0JW. Coneybear Point is a purpose-built block consisting of 27 flats and 2 ground floor maisonettes.
 - (iii) LON/00AL/LSC/2025/1149, brought by Ms Irina Velkova of flat 404 and the leaseholders of 14 other flats in Munyard House, 2 Latimer Square, London, SE10 0NP. A schedule of applicants is attached to this decision. Munyard House is a five-storey block consisting of 25 units consisting of 22 flats and 3 ground floor maisonettes. Initially these applicants sought to challenge service charges in respect of the years 2020/2021 and 2021/2022 however it is apparent from the documents filed in that case that the Applicants' challenge was limited to the service charge years 2022/2023 to 2024/2025.
3. All three applications initially named either the Respondent's managing agent and/or the head leaseholder as Respondent however it is accepted that the correct Respondent is the management company identified in the leases which are tripartite in structure. The order of Judge Nicol directed that the present Respondent be substituted in the place of the various entities/persons named by the Applicants as Respondent in their respective applications.

The Hearing

4. All three applications were heard on 9th April 2026. The hearing was attended by Ms Velkova, Mr Hamid and Mr Sarin in person. The Respondent was represented by Mr Miller of counsel. We considered a core bundle of 938 pages prepared by the Respondent, a skeleton argument filed by Mr Hamid and a skeleton argument filed by Mr Miller. We also had available to us a supplemental bundle of 1750 pages consisting primarily of service charge budgets for the three blocks for the years in dispute, and demands and accounts in respect of each applicant. We heard oral evidence from each of the Applicants who attended and from a Mr Christian White, a property team manager employed by the Respondent's managing agent.
5. At the end of the hearing Mr Miller requested permission to serve further written representations in relation to the correct interpretation of the leases on the grounds that a possible construction of the definition of 'Service Charge Proportion' in each lease posited by the Tribunal in the course of the hearing, more particularly set out in paragraph 29 below, had not been raised by any of the Applicants in their statements of case or reply. The Applicants considered that they had raised the issue of the correct interpretation of Service Charge Proportion in general terms. The Tribunal considered that the point we had raised fell within the scope of the Applicants' cases as set out in their respective Replies to the Respondent's Statement of Case and was directly relevant to the issues raised by the Applicants regarding the correct apportionment of the block service charges as between the maisonettes and the flats under the terms of their leases. However we considered that it would be in the interests of justice to permit all parties to make further written submissions on the point should they wish to do so. We requested that any further written submission from the Respondent be served and filed on 17 April with any written submissions in response from the Applicants to be served and filed by 24 April 2026. We received written submissions from the Respondent and from all of the Applicants who had attended the hearing. All written submissions have been considered albeit we have not set out all the contents in detail in this decision.

Background

6. The dispute between the parties relates to the correct apportionment of block service charges between the flats on the upper floors of the three blocks and the maisonettes on the ground floor. It is common ground that until 2022 the Respondent calculated block service charges from all leaseholders on the basis that the flats and the maisonettes were liable to contribute towards all service charges relating to their respective blocks. In 2022, after concerns were raised by some maisonette owners on the estate that they were paying for services which did not benefit their properties, the Respondent attempted to change the apportionment so that flat owners would contribute to both external and internal block costs, while maisonette owners would pay a service charge in respect of external costs only. The result was to increase the service charges paid by the flat owners in respect of the block services. This generated some opposition from the flat owners on the estate, and the Respondent reverted to the old method of apportionment. However in January 2025, the Respondent's agents received a solicitors letter sent behalf of various maisonette owners in the estate who were frustrated that they were still paying service charges relating to the interior of the blocks from which they considered they received

no benefit. The Respondent, or more accurately its managing agent, reviewed the service charge apportionments again. The Applicants told us that they understood that the Respondent was contemplating making an application to the Tribunal to ascertain the correct apportionment under the leases and we have seen correspondence passing between the Respondent and the Applicants in which the Respondent accepts that the provisions of the leases were not clear and that an application to the tribunal might be necessary. Mr White told us in the course of the hearing that the Respondent decided against that course of action on the grounds of cost.

7. In the event the Respondent decided to re-apportion the block service charges and seek to recover cost relating to the interior of the blocks from the flat owners only and costs relating to the exterior of the block from the flat and maisonette owners. The Respondent's agent issued a letter on 19 August 2025 to this effect, followed by interim demands on 22 August 2025 for the service charge year ending 31 March 2026 on that basis. They also indicated that when the accounts for the years 2022/2023 and 2023/2024 were finalised, a balancing charge would be sought from the flat owners based on the new apportionment method; in other words that it was the Respondent's intention to backdate the new apportionment method to all block service costs incurred since 2022. All three applications were issued shortly after that letter was sent out to the affected leaseholders.

The Leases

8. The bundle includes copies of the leases for 302 Halpin House, 404 Munyard House and 22 Coneybear Point. Paragraph 8 of the particulars of the lease of 302 Halpin House (the Halpin Lease) and of the lease for 404 Munyard House (the Munyard Lease) defines "*Service Charge Proportion*" as follows:

"In respect of the Estate Services and Block Services a proportion of the Service Charge as hereinafter defined as is attributable to those Estate Services and Block Services capable of benefiting the Premises based upon the percentage the aggregate square footage of the Premises bears to the aggregate square footages of all Lettable Units capable of enjoying the benefit of the Estate Services and Block Services or any of them subject to variation in accordance with Clause 9.14 of this Lease"

9. Clause 1(1) of both the Halpin Lease and the Munyard Lease define 'Block Services' as '*the services set out in Part 2 and part 5 of the Second Schedule to the lease*'. We have assumed that the leases held by the remainder of the Munyard House applicants is in materially identical terms
10. The corresponding definition of Service Charge Proportion in the lease for 22 Coneybear Point ("The Coneybear Lease) is worded slightly differently;

A proportion of the cost of carrying out such of the Services as hereinafter defined as are capable of benefiting the Premises based upon

the percentage the aggregate square footage of the Premises bears to the aggregate square footages of all Units capable of enjoying the benefit of the Services or any of them subject to variation in accordance with Clause 9.14 of this Lease plus the Car Park Charge”.

Clause 1(1) of the Coneybear Lease defines block services as ‘*the services set out in the second schedule*’. It defines ‘*Services*’ as ‘*the Block Services, the Group One Services, The Group Two Services and the Group Three Services and the Car Park Services*’.

11. Clause 1(1) of each lease defines Common Parts of the Block as follows;

All parts or areas internal or external of the block (which are from time to time not included in nor designed or intended to be included in a lettable unit or any other block of apartments)...

12. Clause 9.14 of all three leases provides;

If at any time the aggregate square footage of the total property and/or number of units in the Block or the Estate capable of enjoying the benefit of any of the Services and the Heat Provision be increased or decreased the Service Charge Proportion and the Heat Proportion may be varied at the direction of the Landlord to equitably reflect such change Provided That the Landlord shall give the Tenant no less than One (1) calendar months’ notice in writing of such variation”

13. Paragraph 2.1 of Part 2 of the First Schedule to each lease reserves to the leaseholder of the relevant flat the following right to use;

“Such of the Common Parts of the Block as are necessary to obtain access to and egress from the premises...

14. Part 2 of Schedule 2 to each lease sets out the block services in identical terms. It contains 18 numbered paragraphs. Paragraphs 1-5 include

1. *The inspection maintenance repair renewal replacement reinstatement furnishing rebuilding redecoration cleaning and (where appropriate) lighting and heating of the Common Parts of the Block*
2. *The provision maintenance repair and replacement of all receptacles tools appliances materials and other things which the Landlord or the Management Company reasonably considers necessary or desirable for the general management security maintenance upkeep or cleanliness of the Common Parts of the Block*
3. *The cost of providing inspecting operating servicing maintaining repairing overhauling and replacing all electrical and mechanical*

equipment and other apparatus plant and machinery in the Common Parts of the Block

4. *The provision maintenance repair and replacement of all planting landscaping furniture signs notices fixtures fittings and furnishings in the Common Parts of the Block which the Landlord or the Management Company in its discretion considers appropriate*
 5. *The cost of supply of all electricity gas oil fuel or other power for all purposes in connection with the Common Parts of the Block*
15. The remaining 13 paragraphs include costs of insurance, staff for the block, the costs associated with IT/communications plant and equipment, and costs of security and fire safety equipment for the block.
16. The copies of the leases for Coneybear Point and Halpin House included in the bundle include a block plan which has been omitted from the copy of the Munyard House Lease. The plans indicate that both those blocks include an enclosed bin storage area and a cycle storage area on the ground floor of the block which are both accessed from outside the building. Additionally the block plan for Halpin House indicates that it includes an enclosed and gated yard with parking.

Issues to be Determined

17. At the start of the hearing with the assistance of the parties the tribunal defined the issues which it had to consider as follows;
- (1) Whether the Respondent had to comply with the requirements of Clause 9.14 of the lease when it altered the service charge proportions and if so whether it complied;
 - (2) Whether the *Service Charge Proportion* as defined in the particulars of each lease permits or requires the Respondent to divide the block service charges into costs which benefit the flats and the maisonettes (referred to by the Respondent as external block costs) and those which benefit the flats only (referred to by the Respondent as internal block costs) and only seek to recover the former from the maisonette owners;
 - (3) Can the Respondent rely on the s.20B notices it submits it served in order to recover balancing charges in respect of the years 2022/2023 and 2023/2024 which were demanded more than 18 months after the relevant costs were incurred.
 - (4) Should the Tribunal make orders under section 20C of the 1985 Act and Paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act

2002 (the 2002 Act) limiting the Respondents ability to recover the costs of these proceedings as a service charge or administration charge.

18. We should record that the only applicant who served a statement of case in compliance with the directions was Mr Sarin (Halpin House). The arguments raised in his statement of case relate solely to Clause 9.14 of his lease. Additionally he was the only applicant to serve a Schedule of disputed costs.
19. Mr Hamid (Coneybear Point) did not file a statement of case at all, nor did any of the Applicants from Munyard House. The effect of s.20B of the 1985 Act was raised by the applicants from Munyard House and Coneybear Point House in their applications and in their Reply to the Respondent's statement of case. Additionally Mr Hamid also argued in his Reply that he was not aware that he had been sent s.20B notices for the years 2023 and 2024, and put the Respondent to proof, albeit this is contradicted by his summary of the background and agreed facts at page 2 of his Reply where he says it is agreed that the notices were sent. None of the Munyard House Applicants sought to argue that such notices had not been served on them.
20. All of the applicants also took issue with the Respondent's interpretation of 'Service Charge Proportion' in their respective Replies to the Respondent's statement of case (See paragraph ~~3(d)~~ 3.6.5 of the reply filed by the Munyard House Applicants, paragraph 3.1(c) of the Reply served by Mr Hamid and Section A of the Reply served by Mr Sarin).

Issue 1

21. As regards the first issue the Respondent's primary position is that it does not have to rely on Clause 9.14 of the lease as the re-apportionment which has taken place amounts to nothing more than a correction to the method it had previously used to apportion block service charges so that it now accorded with the leases whereas before it had not. Whether or not this is correct, it is clear that clause 9.14 only applies when there is an alteration to the aggregate square footage of the block or estate, or to the number of units in the block or the estate. No such change was relied on by the Respondents when they notified the leaseholders of the intended changes to the block charges apportionment, nor do they rely on such a change in these proceedings. Consequently Clause 9.14 of the leases is not relevant to the matters we have to determine.

Issue 2

22. The principles of construction of a lease are set out in *Arnold v Britton* [2015] A.C 435; [2015] UKSC 36 whereby the Supreme Court emphasised the paramount importance of the language of the provision which is to be construed. The exercise of interpreting a provision involves identifying what the parties meant through the eyes of a reasonable reader. Commercial common sense and the surrounding circumstances are not to be invoked to undervalue the importance of the provision which is being construed. However the less

clear the language of the provision, the more readily the court can properly depart from its natural meaning.

23. By virtue of Paragraph 8 of the particulars of the Halpin lease and the Munyard lease, the lessee is only liable to contribute towards '*those Estate Services and Block Services capable of benefitting the premises*'. Paragraph 8 of the particulars of the Coneybear lease requires the lessee to contribute towards '*Services as hereinafter defined as are capable of benefitting the Premises*'. Clause 1(1) of the Coneybear lease defines '*Services*' as '*the Block Services, the Group One Services, The Group Two Services and the Group Three Services and the Car Park Services*'.
24. We have not been provided with copies of the maisonette leases for any of the blocks. We have assumed for the purpose of this application that the definition of *Service Charge Proportion* is identical in respect of all units in each respective block.
25. In the course of the hearing we suggested it might be helpful to the parties to consider the Service Charge Proportion as defined in paragraph 8 of the particulars of the three leases as being akin to a simple fraction whereby the '*aggregate square footage of the premises*' functions as the numerator and the '*aggregate square footage of all lettable units capable of enjoying the benefit of Estate Services or Block Services or any of them*' functions as the denominator. The higher the denominator the lower the proportion payable by those flats which are liable to pay for the relevant charge.
26. The Respondent's position is that in order for the square footage of any given lettable unit to be included in the denominator, the specific cost in question must be capable of benefitting that unit. The Respondent considers that the maisonette owners do not benefit from the costs of maintaining and running the interior common parts of the blocks because they do not have access to them. Mr Millar in his written submissions points to the cost of lighting the internal common parts as an example of a cost that does not benefit the maisonettes.
27. The first difficulty with this proposition is that it would equally apply to the flats. Pursuant to Paragraph 2.1 of Part two of Schedule 1 of each lease, the lessee only has the right to access those parts of the Common Parts as are necessary for him or her to access his or her flat. We were informed by the Applicants in the course of the hearing and in their written submissions that the key fobs issued by the managing agent will only grant them access to the entrance hall on the ground floor and to the floor on which their flat is located. Thus pursuant to the terms of the lease and as a matter of practice, a flat on the second floor of the block has no access to and derives no benefit from the costs of internal lighting cleaning or heating the common parts of any other floor.
28. Additionally Part Two of the Second Schedule to each lease sets out the services included in block service charges which are grouped together in a series of paragraphs. Taking cleaning as an example it does not differentiate between the cost of internal cleaning or external cleaning; it merely refers to cleaning of the common parts of the block, which includes both the interior and exterior

retained parts of the block by virtue of Clause 1(1) of each lease. It is not possible to identify any paragraph which describes a service or cost which manifestly does not benefit the maisonettes, save perhaps for the cost of heating the common parts which is included in Paragraph 1. In the course of the hearing it was suggested the cost of the lift would be an example of a cost which does not benefit the maisonettes. This is obviously correct, but the cost of lifts is not a cost specified in Part Two of Schedule Two. Paragraph three of Part Two simply refers to '*electrical and mechanical equipment and other apparatus plant and machinery in the common parts of the block*'. Mr Miller gave us an example of a fire alarm serving the internal common parts only (included as a block cost in Paragraph 11 of Part 2 of Schedule 2) as a cost which would not benefit the maisonettes, however on reflection agreed that in fact they probably would benefit even if the maisonettes were not directly connected to the block fire alarm system.

29. Furthermore the Respondent's interpretation does not accord with the literal words of the leases themselves insofar as it defines the denominator. In the course of the hearing we queried whether the words '*or any of them*' which follow the words '*the Estate Services and Block Services*' have the effect of expressly including in the denominator the square footage of lettable units which are capable of benefitting from *any* of the block services or any of the estate services as the case may be, assuming that the words '*or any of them*' were intended to operate as severally as a qualifier i.e. the Estate Services *or any of them* and the Block Services *or any of them*.
30. In his written submissions on behalf of the Respondent, Mr Miller argued that this would produce results which were nonsensical and unfair. Firstly he argued that the result would be that maisonettes which do not benefit from a specific block service, such as internal lighting, and therefore are not liable to contribute, would nevertheless be included in the calculation of the denominator if they were capable of benefitting from *any* of the block services set out in Part Two of Schedule Two of the leases, with the result that the Respondent would not recover 100% of the cost of that specific service. Secondly he argued that the words '*or any of them*' are otiose because it is impossible to envisage any lettable unit in a given block that did not benefit from at least one block service and that had the parties intended this they would simply have included the square footage of all the lettable units in the denominator used to calculate the service charge proportion for each block. He submits that a commercially sensible result can be achieved if the words '*or any of them*' are omitted. He relies on the case of *Monsolar IQ Ltd v Woden Park Ltd [2021] L. & T.R. 29* in which the Court of Appeal held that courts can correct the literal meaning of a provision in a lease if it is clear both that a mistake had been made and that the intended meaning is obvious. In the alternative he submits that the words '*or any of them*' should be taken to refer to the lettable units and not the block services.
31. We do not accept these submissions. Firstly we do not consider the fact that a maisonette does not benefit from the proportion of costs attributable to the internal common parts necessarily means that it does not have to contribute to the whole. It appears to us to be arguable that they do. The block costs in Schedule Two are not broken down into internal costs and external costs but

are expressed generally as costs incurred in running and maintaining the common parts such as the cost of cleaning and lighting and the cost of maintaining electrical and mechanical equipment. These are services which benefit the whole of the block including the maisonettes. Secondly if this argument is open to the maisonettes then it is open to all leaseholders who could argue that they should only be liable for the proportion of any given cost, such as lighting or cleaning, which directly benefits those parts of the block to which they have a right of access. Clearly this would be unworkable. Thirdly we do not consider that such an interpretation is so inherently unfair to the leaseholders of the maisonettes that it cannot have been the intention of the parties when the relevant provision is viewed objectively; it is no more unfair than it would be to require the leaseholder of a ground floor flat to contribute to the cost of maintaining a lift. In any event there is no presumption that the service charge provisions will enable the landlord to recover all of its expenditure see *Campbell v Daejan Properties Ltd* [2013] H.L.R.

32. Finally, and in our view crucially, it is not possible to ignore the literal effect that the words ‘*or any of them*’ in the definition of Service Charge Proportion which has to be that the square footage of any unit which can benefit from any of the block services is included in the denominator for calculating each lettable unit’s proportion of the block service charges. The words ‘and any of them’ in our view do not make sense if they are taken to apply to the lettable units as opposed to the services. We accept that the equivalent provision in the Coneybear lease is less clear because it does not differentiate between Block Services and Estate Services. A literal interpretation of that provision, looked at in isolation, might be that any unit on the estate that can benefit from any service, be it an estate service or a block service, is included in the denominator for calculating the relevant service charge proportion for block services. A more common-sense interpretation is that the qualifier *or any of them* applies severally to the categories of services as they are defined in Clause 1(1) of the lease; i.e. the services included in Part Two to Part Eight of the Second Schedule.
33. It follows that we conclude that the service charge provision for each of the three leases requires the Respondent to include the square footage of all the units in each of the blocks capable of benefiting from any of the block service charges when calculating the proportion of the block costs payable by the leaseholder.

Issue 3

34. As regards the validity of the s.20B(2) notices, the supplemental bundle includes copies of 9 s.20B(2) notices which the Respondent states were sent to leaseholders of each of the three blocks in respect of each of the three years in dispute. It is not disputed by the Respondent that it could not recover a balancing charge for the years 2022/2023 and 2023/2024 had it not served such a notice. None of the Applicants were able to articulate why the notices were not valid. We consider that they are valid. They varied in format from year to year, but all refer to and/or were accompanied a summary of costs and all informed the recipient that the costs had been incurred and that they would be

required to contribute to them. This was all they needed to do to constitute valid notices under s.20B(2) of the 1985 Act.

35. Although we heard some oral evidence on the point regarding proof of service in relation to all three blocks, in our view it would be unfair to the Respondent to determine the point. It was only raised by Mr Hamid in his Reply and even then in a contradictory fashion. We make no finding as to whether the notices were served on him and record that neither Mr Sarin nor the Applicants from Munyard House sought to question service of the s20B(2) notices prior to the hearing.

Section 20C of the 1985 Act /Paragraph 5A Schedule 11 2002 Act

36. We consider that while we will make orders preventing the Respondent from recovering its costs of these proceedings as an administration charge from the Applicants, we will not exercise our power under section 20C of the 1985 Act to prevent them from recovering their costs of these proceedings from them as a service charge. While the Applicants have been successful, in our view this was a dispute that needed to be determined because of the two competing interpretations of the Service Charge Provision argued for by the leaseholders themselves. It is unfortunate that the matter was not brought before the tribunal by the Respondent. As the maisonette owners are not parties to these proceedings, this determination is not binding on any of them.
37. As the Applicants have succeeded we order the Respondent to reimburse them in respect of the tribunal fees they paid within 28 days of this determination.

Name Judge N O'Brien

Date 8 June 2026
28 July 2026

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Appendix 1- LIST OF APPLICANTS – MUNYARD HOUSE

Irina Velkova	404
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Pranav Kumar	305
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Jeetu Deepak Mirpuri	201
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Vaibhav Garg	504
Daniela Florescu	504
Mihail Mikulanined	401
Jade Chelsea Fawkes	101
Georgia Jay Fawkes	101
Vivekpandiyan Ramakrishnan	503
Ranjini Madonna Florence	503
Jakub Korczak	204
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Angelica Curzi	301