FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/OOBB/LSC/2026/0109/**
Property	**:**	**Flat 160, River Heights, 90 High Street, Stratford, London, E15 2FU.**
Applicant	**:**	**Xianqian Chen and interpreter present**
Representative	**:**	**None**
Respondent	**:**	**Stratford Riverside Management Limited**
Representative	**:**	**Muhammad Fahad Naeem**
Type of application	**:**	**Determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	**:**	**Mr R Waterhouse FRICS** **Mr Joseph MRICS**
Venue	**:**	**10 Alfred Place, London, WC1E 7LR**
Date of hearing/ decision	**:**	**14 August 2026**

DECISION

<u>Decisions of the Tribunal</u>

(1) The Tribunal determines the administration charge in lieu of legal costs of £916.80 for services to the management company in respect of an incident said to involve a breach of the lease was payable under the lease and is reasonable in amount.

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

(3) No amounts were requested in respect of Rule 13 costs by the Respondent. Nevertheless, the bar for Rule 13 costs is a high one, and the Tribunal found no evidence of unreasonable behaviour and so no Order for Rule 13 costs is given nor an invitation to make one.

Background

1. The Applicant made an application dated 27 January 2026 [25/108] for the determination under section 27A of the Landlord and Tenant Act 1985 as to whether certain service charges are payable.

2. The Applicant does also seek an [10/108] order pursuant to Section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 of the Commonhold and Leasehold Reform Act 2002.

3. The challenge by the Applicant is to charge in the year 2025/2026 of £916.80 said to be a legal fee levied by the management company for alleged unauthorised short-term letting of the subject premises.

4. Directions [3/108] were given on 11 March 2026 by Procedural Chair Jagger MRICS. The Directions required the Respondent to send by 17 April 2026 to the Applicant copies of relevant service charge accounts and estimates for the years in dispute together with all demands for payment and details of any payments made.

5. For the Applicant by 15 May 2026 to send to the Respondent a schedule completed setting out the areas in dispute and any witness statement the Applicant may wish to rely upon. The Respondent by 12 June 2026 to send their case to the Applicant with any copies of documents they wish to rely upon and any witness statements.

6. The Applicant may by 26 June 2026 send the Respondent a brief supplementary reply. Finally, the Applicant should send to the Tribunal copied to the other party an agreed paginated hearing bundle.

7. The hearing set down for 14 August at 10:00am.

The Property

8. From the Application form the subject property is flat 160 River Height a two-bedroom flat within a purpose-built block of flats. The

development constructed in or around 2017. [13/108]. The block has 27 storeys comprises 202 apartments and a roof garden. [19/108]

Preliminaries

Strike out request by Respondent

9. The Tribunal was attended by the Applicant Xianqian Chen and a court appointed interpreter present

10. For the Respondent, Muhammad Fahad Naeem was present for the management company Millennium Management Limited.

11. By email of 6 August 2026 Mohammad Hanan of Millennium Management Limited – the Respondent – submitted an Order 1 Application. The Application requested (a) an order striking out the Applicant's application and (b) request for an Order for costs under Rule 13.

12. Applicants' response noted that they were a litigant in person, and misunderstood the procedural requirements, believing that the submissions made on the 14 May 2026 completed their obligations.

13. The Applicant submitted when they became aware of the issue, they took steps to comply at the earliest opportunity.

14. Further they contend that no prejudice has been caused to the Respondent.

15. By email of 7 August 2026 Maya [Xianqian] Chen submitted a Bundle to the Tribunal copied to the Mohammad Hanan of Millenniumscs and the directors of the management company. The bundle ran to 108 pages.

16. The Tribunal heard submissions on the Respondent’s request for a Strike Out and following deliberation determined that given the limited scope of the challenge and the exchange of material prior there was no prejudice to the Respondent.

17. Additionally, the Respondent sought form the Tribunal an Order under Rule 13 on costs. The Tribunal defers consideration of this until the determination.

18. The Tribunal took submissions on the Order Form 1 for strike out as a preliminary matter. The Applicant stated (a) non-compliance with Directions (b) no chance of success (c) aimed to delay and cause cost and (d) there was a request for Rule 13 costs.

19. The Respondent said in respect of (a) they were a litigant in person and from the moment they knew they were in breach of the Directions they immediately rectified. In respect of b and c they deny. In respect of (d) by virtue of previous arguments they consider such Rule 13 costs unwarranted.

20. The Tribunal adjourned for a period to consider.

21. The Tribunal is conscious the Applicant is a litigant in person and that they rectified the non-compliance of the Directions immediately upon notification. In terms of the second and third points the challenge made by the Applicant is a legitimate one and there is no evidence to indicate it has been carried out in a way anything less that reasonable. In respect of Rule 13 cost the Tribunal reserved its position to the end of the hearing.

Clarification of issue – service charge year

22. From the Tribunal papers it appeared that there was common ground between the parties that a breach had occurred. This within the hearing was refuted by the Applicant, and the hearing proceeded on the basis not on common agreement.

23. For the purposes of this Tribunal, the Tribunal is not to determine whether a breach of the lease has or has not occurred. The purpose of the Tribunal is to determine whether the lease provides for the lessor or agent on behalf of lessor or those who have the right to manage the property can recover their costs in respect of breaches or alleged breaches and if so whether the amount is reasonable.

24. For the record, the Applicant noted that their leasehold property was managed by a letting agent, so they the Applicant did not have day to day knowledge of the property, The Applicant noted that their letting agent was reputable and had carried out correct checks before letting to the sub tenant. The first the Applicant knew of the alleged breach, that of short-term subletting was when a solicitor's letter of 7 February was received by them. At that stage the Applicant said they did not have enough knowledge or evidence from the Respondent to know if the alleged breach was in fact a breach. This position continues to the present day with the Applicant instructing their letting agent to regain possession from the assured shorthold tenant which occurred in approximately one month from the initial notification of the manging agent's legal representative on the 7 February 2025.

25. The Respondent said that they had received information to lead them to believe that was a reasonable prospect that a breach had occurred.

26. As stated at the start of this section it is not for the Tribunal to determine whether a breach has occurred, but the Tribunal sought clarification on whether there was actual agreement of a breach and upon investigation there was not.

Supplementary evidence

27. Supplementary evidence of 11 pages submitted 7 August 2026 outside the Directions was admitted to the hearing by the Applicant. The Respondent not objecting. This showed the initial letter from the solicitor to the leaseholder and sequent correspondence until matter resolved this amounted to approximately 5 e mails in addition to the original letter.

The Lease

28. The Property is held under a 999-year lease dated 3 July 2017 made between Weston Homes PLC (landlord), Stratford Riverside Management Limited (the Company), and Xianqian Chen (the Tenant/Applicant).

29. The relevant lease provisions are

Clause	Summary	Reference in the lease
1.2.7	Any covenant by the Tenant includes an obligation not to permit or allow or suffer such act or thing to be done	P15
5.13	Tenant indemnifies the Landlord and the Company against all reasonable costs, expenses, damages claims, solicitor's costs and surveyors' fees arising out of any breach or non-performance by the Tenant.	p21
5.14	Tenant indemnifies the Landlord and the Company against all reasonable costs, fees, charges, solicitors and surveyors) arising out of every application made by Tenant for consent or arising out of any breach	p21
Sch 3 para 1	Not to use the Property other than as a single dwelling	p26
Sch 3 para 3	Not to do any act or thing which may be a damage nuisance or annoyance to the Landlord, the Company, or the tenants or occupiers of any part of the Estate.	p26

The Issues / discussion

Service charge year 2024-2025

30. The Tribunal heard evidence from the parties in respect of the legal charge made for the managing agent responding to an incident of alleged breach of covenant said to involved unauthorised short-term letting. The Applicant leaseholder was invoiced by the solicitors on 8 April 2025 [46/08]. This followed the issuing of a letter from the managing agent's solicitors dated 7 February 2025 [37/108] a further letter on 12 February 2025 and addressing 5 emails. [supplementary bundle].

Applicant

31. The Applicant submitted a statement of case [33/108] saying in or around February 2025, a former tenant carried out unauthorised short –term letting (Airbnb) without the knowledge of the leaseholder Applicant. Upon examination in Tribunal the Applicant retracted this saying that they did not know if a breach had actually occurred or not,

32. The Applicant states they were not notified of any breach before receiving a formal letter from the solicitors on behalf of the managing agents.

33. The letter was received on 9 February 2025.

34. The Applicant is concerned that [34/108] before the formal letter was received there was no prior notice, any warning or any opportunity to remedy the breach.

35. The Applicant considers the approach taken was procedurally unfair and disproportionate.

36. The Applicant noted that they immediately took action to ensure the breach did not happen again.

37. The Applicant disagrees with the Respondent’s position that as the charge has been paid it cannot be “removed”.

38. The Applicant requests the sum is disallowed or in the alternative reduced to a reasonable sum.

39. Additionally, applications are made for Orders under section 20C and Paragraph 5A Schedule 11.

40. The Applicant contended that they should not be liable for the charge as there was no contractual relationship between the Applicant and the solicitors.

41. The Applicant said they had acted fast when notified and as such should have the charge removed or reduced.

Respondent submission

42. The Respondent [96/108] from their Respondent’s statement Stratford Riverside Management is a company of which all leaseholders, including the Applicant, are members. The nature of the management company is said to be a “leaseholders-managed” management company which mainly operates through an external management agent.

43. The Respondent notes that at the time of the incident, Strangford Management Ltd was the managing agent and currently Millennium Management Limited is the managing agent.

44. The Respondent submits the legal fee was reasonably incurred and is payable under the lease.

45. The Respondent contends that the Applicant has not disputed that the subject property was used for unauthorised short-term letting.

46. The sole issue in dispute is whether it was reasonable for the Respondent to incur solicitors' costs in issuing the formal legal letter without first providing the Applicant with an informal opportunity to remedy the breach through informal correspondence.

47. The Respondent's managing agent Strangford Management Limited identified that the Property was being used for short-term letting.

48. Strangford Management Limited decided to issue a formal letter to the Applicant notifying her of the breach and requiring remedy and engaged a solicitor as:

The breach has already occurred

The notification required legal references from the lease. A job more suitable for a solicitor.

49. The Respondent stated the solicitor notified that the use of the property other than a single dwelling, is in breach of Schedule 3, paragraph 1 of the Lease.

50. The solicitors fee for this work was £916.80. [104/108]

51. The respondent stated that it was their policy where there was a matter that was legally technical in nature the matter would be referred to the solicitor to respond to prevent jeopardy any further action which may need to be taken.

52. Stratford Riverside Management Limited is a voluntary organisation which is funded by the leaseholders. So, requiring the general leaseholders to pay for this action it was submitted was unfair.

53. The Respondent contended the lease provides for this sum to be recovered and that the sum is reasonable.

54. In response to the Applicant's question that any misdemeanour amounts to a breach of the lease and why in this case did you instruct solicitors but not in others, the Respondent said, whether to instruct solicitors or not is a decision by the managing agent's, but solicitors would be instructed where the issue was more legally technical and this was the case in this situation. The Respondent said that the lease did not provide that informal warnings should be made before formally legal action entered into.

55. The Respondent stated that the amount incurred by the solicitors was for taking instructions, reviewing the lease and evidence provided and writing to the leaseholder. The Respondent considered the amount reasonable and recoverable under the lease.

The Tribunals finding

56. The Tribunal does not make any findings concerning the incident of the alleged breach of covenant.

57. The Tribunal finds that an allegation concerning a potential breach of covenant was made to the managing agent.

The Tribunal's analysis and decision

58. The lease provides at 5.13 "Tenant indemnifies the Landlord and the Company against all reasonable costs, expenses, damages claims, solicitor's costs and surveyors' fees arising out of any breach or non-performance by the Tenant."

59. There has been no breach or non-performance admitted to or proven.

60. The lease provides at 5.14 "Tenant indemnifies the Landlord and the Company against all reasonable costs, fees, charges, solicitors and surveyors) arising out of every application made by Tenant for consent or arising out of any breach"

61. There has been no breach or non-performance admitted to or proven.

62. The lease at Schedule 3 paragraph 3 says "Not to do any act or thing which may be a damage nuisance or annoyance to the Landlord, the Company, or the tenants or occupiers of any part of the Estate."

63. The solicitor's letter of 12 February states; in the supplementary bundle [7/11] that *"We have been provided evidence that Flat 160 is being adverted on Booking.com as available for short-term holiday rentals. I attach an image of the relevant listing. [Not shared with the Tribunal]. You can inspect the link here.*

Whilst the property is not identified in the listing as being Flat 160 , we have been advised that a booking attempt was made, and the "Host" was asked to confirm which fat number it was, and they duly confirmed it was flat 160.

"We would be grateful if you could review the listing and provide evidence, that the listing is not actually of flat 160, Alternatively if it is the flat 160, please confirm what action you would take to stop and prevent, the property being used as a short-term holiday rental."

64. There has been no nuisance or annoyance explicitly admitted.

65. The Applicant stated that after they were approached by the solicitor on 7 February 2025, they made attempts and regained possession of the flat within approximately one month.

66. Possession in this time, one month, is unusual. Should there have been no issue with the tenant it would seem to be an unusual step to take. The Tribunal finds that the actions of the landlord in rectifying the situation with the acerated possession on balance amount to acceptance that "a nuisance or annoyance" was being caused. The leaseholder gave no other explanation for the action to gain possession.

67. The Tribunal on the basis there was acceptance by virtue of the leaseholders' actions of the issue outlined in the solicitor's letter of the 12 February 2025 amount to at least a schedule 3 paragraph 3 incident, determine that the managing agents could lawfully demand payment for the legal services undertaken to rectify the incident under 5.13.

68. In terms of the quantity of the charge the Tribunal finds given the work undertaken as explained by the Respondent, the charge of £916.80 is reasonable.

69. The Applicant made a number of contentions for mitigation that was the removal of the charge or its reduction.

70. That they had acted immediately when notified. The Tribunal accepts the Applicant acted quickly, the impact of this is not to reduce the charge but to reduce the charge from being higher. The Tribunal determines not to reduce on this basis.

71. That the managing agent should have attempted informal notification rather than resorting to legal approach immediately. The Tribunal finds that the lease does not require an informal approach. Would one have been proportionate, rendering direct legal action unreasonable. The Tribunal agrees with the managing agent that on legal technical matters it is reasonable to have a legal approach so that no errors are taken in what may evolve into further proceedings. The legal approach in itself was moderate and did not amount to issuing an application to Tribunal for determination of breach. The legal actions undertaken were proportionate and reasonable. The Tribunal determines not to reduce on this basis.

Application for section 20 and para 5A schedule 11

72. The Tribunal given that the Applicant has not been successful in their application does not make an Order under section 20C or paragraph 5A.

Chair: Waterhouse FRICS

Date: 14 August 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).