FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00/LSC/2025/1279**
Property	**:**	**Flat 6 Rear, 317 Barking Road Plaistow London E13 8EE**
Applicant	**:**	**Louis Charalambous**
Representative	**:**	**Chris Sevvas** **Glacers Property Developers**
Respondent	**:**	**GH7 Investments Limited**
Representative	**:**	**Hannah Gardiner, Counsel, instructed by Zainab Khatoon Realty Law**
Type of application	**:**	**For the determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	**:**	**Judge Richards-Clarke** **Mr S Mason FRICS**
Venue	**:**	**10 Alfred Place, London WC1E 7LR**
Date of hearing **Date of decision**	**:**	**30 July 2026** **22 August 2026**

DECISION

Decisions of the tribunal

(1) The tribunal determines that the sum of £1453.29 as claimed is payable by the Applicant in respect of the service charges for the year 2020.

(2) The tribunal determines that the sum of £1321.90 as claimed is payable by the Applicant in respect of the service charges for the year 2021.

(3) The tribunal determines that the sum of £1100.78 as claimed is payable by the Applicant in respect of the service charges for the year 2022.

(4) The tribunal determines that the sum of £1031.25 as claimed is payable by the Applicant in respect of the service charges for the year 2023.

(5) The tribunal determines that the sum of £2395.50 as claimed is payable by the Applicant in respect of the service charges for the year 2024.

(6) The tribunal determines that the sum of £1656.87 is payable by the Applicant in respect of the service charges for the years 2025. This is a reduction of £51.88 in respect of the £1708.75 claimed by the Respondent reflecting the Tribunal's finding regarding the Fire Alarm Zoning Plan and communal notice board set out at paragraph 27 below.

(7) The tribunal does not make an order under section 20C of the Landlord and Tenant Act 1985.

(8) The tribunal does not make an order under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") and Schedule 11 to the Commonhold and Leasehold Reform Act 2002 ("the 2002 Act") as to the amount of service charges and administration charges payable by the Applicant in respect of the service charge years 2020 to 2025 .

2. The Applicant also seeks an order for the limitation of the landlord's costs in the proceedings under section 20C of the Landlord and Tenant Act 1985 and an order to reduce or extinguish the tenant's liability to pay an administration charge in respect of litigation costs, under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

The hearing

3. The Applicant was represented by Mr Sevvas at the hearing and the Respondent was represented by Ms Gardiner.

4. It was also agreed that the hearing would proceed with a consideration of the Schedule of Disputed Service Charges [RB31-81] and further that the Respondent's representative would lead on this with the Applicant responding to each issue in dispute.

5. At the end of the hearing the Tribunal heard representations regarding section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

Background

6. The property which is the subject of this application is a flat in a building of 8 flats situated above commercial premises.

7. The Applicant holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. The Lease is dated 26 May 2011 [RB13-28]. In accordance with Clause 1.16 of the Lease "the Service Charge percentage is 12.5%" [RB17]. In accordance with Clause 1.19 "the Building" means the freehold property known as 317 Barking Road Plaistow London E13 8EE [RB17]. The specific provisions of the lease will be referred to below, where appropriate.

The issues

8. At the start of the hearing the parties identified the relevant issues for determination as follows:

   (a) The payability and/or reasonableness of service charges for the year ending December 2020

   (b) The payability and/or reasonableness of service charges for the year ending December 2021

   (c) The payability and/or reasonableness of service charges for the year ending December 2022

   (d) The payability and/or reasonableness of service charges for the year ending December 2023

   (e) The payability and/or reasonableness of service charges for the year ending December 2024

   (f) The payability and/or reasonableness of service charges for the year ending December 2025

9. The Tribunal also confirmed that the relevant documents for the hearing were:

   (a) Application dated 9 December 2025 [A1-12]

   (b) Directions Judge Tildesley OBE dated 12 February 2026

   (c) Respondent's bundle of 331 digital pages [RB1-331]

   (d) Applicant's amended bundle of 141 digital pages [AB1-141]

   (e) Applicant's bundle of disputed charges [ADC1-57]

10. The Schedule of Disputed Charges [RB31-81] sets out the sums incurred and claimed by the Respondent in the end of year final accounts, rather than the budgeted amounts used by the Applicant in the Applicant's bundle of disputed charges [ADC 11-19]. Planned expenses not carried out and sums not incurred are not included in the final accounts and service charge demands. This includes interim sums claimed for pest control, intercom system installation in 2020; communal front door in 2021; Newham Council Enforcement Notice works, major works consultation fee and communal emergency lighting service in 2022; Newham Council Enforcement Notice works, major works consultation fee, and certificate expenditure in 2023; Newham Council Enforcement Notice works, major works consultation fee, weekly fire alarm testing, communal emergency lighting, professional fees for communal electric supply in 2024; Newham Council Enforcement Notice works, major works consultation fee, fire risk assessment, fire alarm system service, weekly fire alarm testing, monthly emergency lighting test, professional fees for communal electric supply, fire alarm works in 2025.

11. The final service charge sums demanded by the Respondent following the final accounts are:

(a)	2020: £1453.29
(b)	2021: £1321.90
(c)	2022: £1100.78
(d)	2023: £1031.25
(e)	2024: £2395.50
(f)	2025: £1708.75

12. Having heard evidence and submissions from the parties and considered all of the documents provided, the tribunal has made determinations on the issues in dispute as follows.

<u>Buildings Insurance clause 5.5.13.1 of the Lease.</u>

13. The Buildings Insurance cost for the service years in dispute is as follows: £3072, for the service charge years 2020; £3379.20 for the service charge

year 2021; £3886.08 for the service charge year 2022; £3886.08 for the service charge year 2023; £4468.99 for the service charge year 2024; and £5362.78 for the service charge year 2025.

14. The Respondent submits that the lease allows the Respondent to insure the building at (i) full reinstatement value (ii) with a reputable insurer (iii) risks listed within this clause (iv) and other risks as the landlord thinks fit. The Respondent further relies on the previous determination of the First Tier Tribunal LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004 dated 31 January 2024 that the buildings insurance charge of £3072 in 2020 was payable and reasonably incurred [RB185]. In response the Applicant relies on an alternative buildings insurance quote of £2457.24 [AB109-113]. The Tribunal decided that this building insurance quote relied on by the Applicant was not comparable. This is because it does not include provision for loss of rent, alternative accommodation and a claims record was not provided to obtain this alternative quote. The Tribunal also decided that the amount claimed for building insurance was not outside the prevailing market rates. The Tribunal took account of the percentage increase of around 14% in 2024 and 19% in 2025. However, using the expertise of the Tribunal and taking account of the post 2021 substantial increase of building costs and the subsequent increase in building insurance for flats, the Tribunal was of the opinion that this was in accordance with the current market trend and conditions.

15. The Tribunal therefore concluded that the Buildings Insurance claimed for the years 2020, 2021, 2022, 2023, 2024 and 2025 was reasonable and payable.

Management Fees – Clause 5.5.6.1 of the Lease

16. The management fees costs for the service years in dispute are as follows. £2400, for the service charge year 2020; £2400 for the service charge year 2021; £2800 for the service charge year 2022; £2800 for the service charge year 2023; £2800 for the service charge year 2024; and £2800 for the service charge year 2025.

17. The Respondent submits that the management fees of £2,400 - £2,800 per annum equates to approximately £300 to £350 per unit and is reasonable for a mixed-use residential building of this nature. The Respondent further relies upon the previous Tribunal decision in LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004, where the Tribunal accepted that comparable management fees at the Building were within the reasonable range for a property of this type. At the hearing this was not disputed by the Applicant.

18. The Tribunal therefore concluded that the management fees claimed for the years 2020, 2021, 2022, 2023, 2024 and 2025 was reasonable and payable.

Fire alarm system - Clause 5.5.9 of the Lease.

19. For the service charge year 2020, the Respondent claims a total cost of £4066 broken down as fire alarm installation as £3166 and fire alarm repairs of £850. The Respondent submits that the existing alarm was inadequate, and it was reasonable to replace it. Further, the repair was the result of damage caused by vandalism which was not covered by the warranty or insurance. The Respondent further relies on the previous determination of the First-tier Tribunal LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004 dated 31 January 2024 that the fire alarm installation cost of £3166 in 2020 was payable and reasonably incurred [185] and that as the repair was the result of damage caused by vandalism not covered by the warranty or insurance the charge was payable and reasonably incurred [189]. At the hearing, the Applicant accepted that a claim regarding lack of consultation in accordance with section 20 of the Landlord and Tenant Act 1985 had not been pursued. Taking all these matters into account, the Tribunal decided that the Fire Alarm System charges for the year 2020 were reasonable and payable.

20. For the service charge year of 2021, the Respondent claims the sum of £816 for fire alarm maintenance. The Respondent further relies on the previous determination of the First-tier Tribunal LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004 dated 31 January 2024 that this sum represented the two services per year recommended by the relevant standard and the charge was payable and reasonably incurred. In response the Applicant submits that the fire alarm is not maintained. The Tribunal had regard to the Fire Service Maintenance Plan and invoice from SBI Solutions Ltd dated 2 November 2021 providing for two services a year [86-87] and the Tribunal decided that the fire alarm maintenance charges for the year 2021 were reasonable and payable.

21. For the service charge year 2022, the Respondent claims the sum of £648 for fire alarm maintenance. The Respondent relies on the previous determination of the First-tier Tribunal LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004 dated 31 January 2024 that fire maintenance costs were payable and reasonably incurred. The Tribunal has regard to the Fire and Emergency Evacuation Procedure [89], Job Report SBI Solutions and Invoice for £648 [124-126]. The Tribunal decided that the fire alarm maintenance charges for the year 2022 were reasonable and payable.

22. For the service charge year 2023, the Respondent claims the sum of £288 for fire risk assessment. The Respondent submits that this is in line with prevailing market conditions. Using the expertise of the Tribunal, the Tribunal decided that the fire risk assessment charge for the year 2023 was reasonable and payable.

23. For the service charge year 2024, the Respondent claims the sum of £288 for fire risk assessment. The respondent submits that this is in line with

prevailing market conditions. Using the expertise of the Tribunal, the Tribunal decided that the fire risk assessment charge for the year 2024 was reasonable and payable.

Maintenance costs - Clause 5.5.1.2 of the Lease

24. At the hearing this was not disputed by the Applicant for the service charge years 2020, 2021, 2022, 2023, and 2024. The Tribunal therefore concluded that the Maintenance costs claimed for the years 2020, 2021, 2022, 2023, 2024 were reasonable and payable.

25. However, for the service charge year 2025 the maintenance costs are in dispute. The Respondent submits that pursuant to clauses 5.5.1.5, 5.5.5, 5.5.6.1, 5.5.6.2 and 5.5.11 of the Lease, the Landlord is entitled to recover costs reasonably incurred in relation to the repair, maintenance, safety, administration, and proper management of the Building and its common parts. For this year, the costs incurred by the Respondent are £4135.00 general maintenance and £1125.00 for communal cleaning. The general maintenance expenditure consisted of communal carpet replacement and stair improvements of £3000, fire zoning plan of £640, communal notice board supply and installation £175.

26. The Tribunal had regard to the Invoice dated 14 January 2025 of £3000 for carpet fitting [141]. The Tribunal was satisfied that this was reasonable and payable. With respect to the communal cleaning costs of £1125.00 the Tribunal had regard to the Cleaning Services Invoices [143- 148] and was satisfied that these were reasonable and payable.

27. The Tribunal also had regard to the invoice dated 15 January 2025 from the managing agents for £640.00 for services to provide a fire alarm zoning plan. The Fire Alarm Zoning Plan was not before the Tribunal and the Tribunal was of the view that the sum of £640 for this provided by the managing agents was not reasonable. This was because there was no supplier invoice, and there was no evidence the plan had been produced and the cost was high given the amount of work involved. The Tribunal took the view that the sum of £300.00 was reasonable. For the same reasons, the Tribunal considered that the sum of £175.00 for the supply and installation of a communal notice board was not reasonable, and that £100.00 was reasonable. The Respondent relies on the invoice dated 14 January 2025 for £175.00 from the managing agents for services for the supply and installation of a communal notice board [140]. There is not a supplier invoice, and the Tribunal considered this cost to be high given the cost of a notice board and the amount of work involved for installation. This leads to a reduction of £415.00. As the Applicant is required to contribute 12.5% this leads to a reduction of £51.88 for the Applicant.

Communal electricity - Clause 5.5.4 of the Lease

28. The Respondent submits that this is based on the supplier costs for communal electric, all leaseholders benefit and that it is reasonable to expect the Applicant to contribute 12.5% of the costs incurred. The Respondent further relies on the previous determination of the First-tier Tribunal LON/00BB/LSC/2023/0244 and LON/00BB/LVL/2023/0004 dated 31 January 2024 that this charge was payable and reasonably incurred [192]. At the hearing this was not disputed or pursued by the Applicant.

29. The Tribunal therefore concluded that the communal electricity costs claimed for the years 2020, 2021, 2022, 2023, 2024 and 2025 were reasonable and payable.

Accounts - Clause 9.1.1 of the Lease

30. The Respondent submits that all leaseholders receive accounts, accounts are required in accordance with the covenants in the Lease and this is a reasonable cost. At the hearing this was not disputed by the Applicant.

31. The Tribunal therefore concluded that the accountancy costs claimed for the years 2021, 2022, 2024 and 2025 was reasonable and payable. No accountancy charges were claimed for the years 2020 and 2023.

Application under s.20C and refund of fees

32. At the end of the hearing, the Applicant made an application for a refund of the fees that he had paid in respect of the application and hearing. Having heard the submissions from the parties and taking into account the determinations above, the tribunal does not order the Respondent to refund any fees paid by the Applicant.

33. In the application form and at the hearing, the Applicant applied for an order under section 20C of the 1985 Act and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002. Having heard the submissions from the parties and taking into account the determinations above, the tribunal determines that, in the circumstances, it does not make an order under section 20C of the 1985 Act or under paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002.

Name: Judge Richards-Clarke **Date:** 22 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).