



**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : **LON/00AR/LSC/2026/0121**

Property : **Flat 24 Green Park Court, 16 Kew Close,
Romford, Essex, RM1 4WJ**

Applicant : **Georgia Costa**

Representative : **In person**

Respondent : **Trinity (Estates) Property Management
Limited**

Representative : **Mr Nelson (counsel)**

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 J Moate; Mr J Naylor FRICS and
Mr M Lynch**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of decision : **01 September 2026**

DECISION

Decisions of the tribunal

- (1) The Tribunal determines that the amount payable in respect of the service charges demanded in the years 2024-25 and 2025-26 (based on the budgeted figures) is payable and reasonable, save for those contributions to the reserve fund deemed not recoverable under (ii) below.
- (2) The Tribunal determines that the amount payable in respect of the budgeted reserve fund contributions in the years 2024-25 and 2025-26 is payable and reasonable, save for the Applicant's proportion of the building safety reserve fund contributions. The total reserve fund amount payable by the Applicant in 2024-25 is her proportion of £38,000 and in 2025-26 her proportion of £32,000.
- (3) The Tribunal determines that the amount payable in respect of the budgeted service charges for reactive refuse removal costs for the year 2025-26 in the sum of £10,860 (total cost) is payable and reasonable.
- (4) The Tribunal makes the determinations as set out under the various headings in this Decision.
- (5) The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that the Respondent may not pass any more than 80% of its costs incurred in connection with the proceedings before the Tribunal through the Applicant's proportion of the service charge.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of the service charge years 2024-25 and 2025-26.

The hearing

2. The hearing took place on 31 July 2026. The Applicant appeared in person remotely and the Respondent was represented by Mr Nelson (counsel), accompanied by Mr Dale (Property Manager) and Ms Jolliffe (solicitor). The Applicant asked to appear remotely because her childcare had fallen through and she had an 11-month-old baby. The Tribunal agreed to accommodate this request subject to the Respondent consenting, which they did.
3. At the start of the hearing Mr Nelson confirmed that the correct name for the Respondent was Trinity (Estates) Property Management Limited and not Trinity Estate Ltd as set out in the application.

4. A few minutes into the hearing, the Applicant's baby started crying so the Tribunal granted the Applicant a short adjournment for her to manage this. Shortly after the adjournment, the Applicant's baby became upset again, making it difficult for the Applicant to focus on what she was saying as the baby needed attention. The Tribunal adjourned the matter to decide whether the hearing could proceed in the circumstances.
5. Applying the overriding objective pursuant to Rule 3 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 to deal with cases fairly and justly, the Tribunal decided it could not proceed with the hearing because neither party could participate fully in the proceedings and it was unsuitable for the baby to be left unattended. The Tribunal could not deal with the case fairly and justly in the circumstances. The Tribunal asked whether the parties would like the application to be decided on the papers (which it deemed possible if both parties consented) or whether they would prefer the matter be adjourned to a date in the future. The Tribunal adjourned briefly for both parties to consider this and upon their return, they both asked the Tribunal to decide the case on the papers.
6. The case was thereby converted to the paper track.

The background

7. The property which is the subject of this application is a one-bedroom flat in a block of 6 flats within a large estate comprising both flats and houses.
8. Neither party requested an inspection and the tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.
9. The Applicant holds a long lease of the property which requires the landlord and/or manager to provide services and the tenant to contribute towards their costs by way of a variable service charge. The specific provisions of the lease will be referred to below, where appropriate. The Lease is tripartite, between the Lessor, the Manager, and the Lessee.

The issues

10. At the start of the hearing, before the hearing was converted to a paper determination, the parties identified the relevant issues for determination as follows:
 - (i) The payability and/or reasonableness of the budgeted service charges for the years 2024-25 and 2025-26.

- (ii) The payability and/or reasonableness of the budgeted reserve fund contributions generally and specifically as to a) redecoration, and b) building safety for the years 2024-25 and 2025-26.
 - (iii) The payability and/or reasonableness of the budgeted service charges for reactive refuse removal costs for the year 2025-26.
11. Having read the evidence and written submissions from the parties and having considered all the documents provided in the trial bundle, the tribunal has made determinations on the various issues as follows.

(i) The payability and/or reasonableness of the budgeted service charges generally, for the years 2024-25 and 2025-26 as follows:

2024-25: £193,153 total

2025-26: £194,687 total

12. The relevant parts of the Lease provide as follows:

“the Lessee’s Proportion” means the proportion of the Maintenance Expenses payable by the Lessee in accordance with the provisions of the Seventh Schedule.

“the Maintenance Expenses” means the moneys actually expended or reserved for periodical expenditure by or on behalf of the Manager or the Lessor at all times during the Term in carrying out the obligations specified in the Sixth Schedule.

“the Maintained Property” means those parts of the Estate and/or the Block (as applicable) which are more particularly described in the Second Schedule and the maintenance of which is the responsibility of the Manager.

THE SECOND SCHEDULE The Maintained Property

1. The Maintained Property shall comprise (but not exclusively):

1.1. The Accessways the gardens and grounds shown on the Plan the drying area (if any) bin cycle store and gardeners management stores (if any) and any other external parts of the Estate used in common by the owners or occupiers of any two or more of the Dwellings therein

1.2. The entrance halls passages landings staircases and other internal parts of the Building(s) which are used in common by the owners or occupiers of any two or more of the Dwellings therein and the glass in

the windows and doors of all such common parts together with all decorative parts ancillary thereto

1.3. The structural parts of the Building(s) including the roofs gutters rainwater pipes foundations floors and walls bounding individual Dwellings therein and all external parts of the Building(s) including all decorative parts.

1.4. All doors and window frames not forming part of the demise of any of the Dwellings.

THE SIXTH SCHEDULE The Maintenance Expenses

PART "A" (Estate and Block Costs)

4. Inspecting rebuilding repointing resurfacing repairing cleaning renewing redecorating or otherwise treating as necessary the car parking areas together with all service installations lighting electric parking gates and other items associated with the car parking areas including any directional signs

5. Inspecting rebuilding repointing repairing cleaning renewing redecorating or otherwise treating as necessary and keeping the internal common parts of the Block comprised in the Maintained Property and every part thereof in good and substantial repair order and condition and renewing and replacing all worn or damaged parts thereof.

6. Inspecting rebuilding repointing repairing cleaning renewing redecorating or otherwise treating as necessary and keeping the refuse storage facilities and every part thereof provided for use by the occupiers of the Dwellings in good and substantial repair order and condition and renewing and replacing all worn or damaged parts thereof and arranging if necessary for the emptying of refuse containers therein.

PART "B" (Internal Block Costs)

1. Inspecting maintaining renting renewing reinstating replacing and insuring the fire fighting appliances the audio door entry system and such other equipment relating to the internal common parts of the Block comprised within the Maintained Property by way of contract or otherwise as the Manager may from time to time consider reasonably necessary or desirable for the carrying out of the acts and things mentioned in this Schedule.

2. Inspecting rebuilding repointing repairing cleaning renewing redecorating or otherwise treating as necessary and keeping the internal common parts of the Block comprised in the Maintained Property and every part thereof in good and substantial repair order

and condition and renewing and replacing all worn or damaged parts thereof.

PART "C" (Costs applicable to any or all of the previous parts of this Schedule)

11. Providing inspecting maintaining repairing reinstating and renewing any other equipment and providing any other service or facility in connection with the Maintained Property which in the opinion of the Manager it is reasonable to provide

13. Such sum as shall be considered reasonably necessary by the Manager (whose decision shall be final as to questions of fact) to provide a reserve fund or funds for items of future expenditure to be or expected to be incurred at any time in connection with the Maintained Property

15. All other reasonable and proper expenses (if any) incurred by the Manager ...

15.3 as to any legal or other costs reasonably and properly incurred by the Manager and otherwise not recovered in taking or defending proceedings (including any arbitration) arising out of any lease of any of the Dwellings or any claim by or against any lessee or any tenant agent or visitor thereof or by any third party against the Manager as owner lessee or occupier of any part of the Estate

THE SEVENTH SCHEDULE The Lessee's Proportion of Maintenance Expenses

6. The Lessee shall pay to the Manager the Lessee's Proportion of the Maintenance Expenses in manner following that is to say:

6.1 In advance on the First day of June and the First day of December in every year throughout the Term one half of the Lessee's Proportion of the amount estimated from time to time by the Manager or its managing agents as the Maintenance Expenses for the forthcoming year the first payment to be apportioned (if necessary) from the date hereof

6.2 Within twenty one days after the service by the Manager on the Lessee of a certificate in accordance with Paragraph 5 of this Schedule for the period in question the Lessee shall pay to the Manager the balance by which the Lessee's Proportion received by the Manager from the Lessee pursuant to Sub-Paragraph 6.1 of this Schedule falls short of the Lessee's Proportion payable to the Manager as certified by the said certificate during the said period and any overpayment by the Lessee shall be credited against future payments due from the Lessee to the Manager

THE TENTH SCHEDULE Covenants on the part of the Manager

3. The Manager shall ensure that the reserve fund or funds referred to in the Sixth Schedule shall be kept in a separate trust fund account and any interest on or income of the said fund shall be held by the manager in trust for the lessees of the Dwellings and shall only be applied in connection with the matters detailed in the Sixth Schedule”.

13. The Applicant accepts that in principle the service charges are payable under the terms of the Lease. She challenges the amount of the budgeted service charges generally in the service charge years 2024-25 and 2025-26. She asserts there has been an increase from the service charge annual budget from £141,423 in 2023-24 to £193,153 in 2024-25 and £194,687 in 2025-26. This has resulted in an increase in her monthly payments to £228.65 per month. The Applicant said in her oral submissions at the start of the hearing that although she was advised there would be an increase in service charges at the beginning of her long lease in 2023, she did not expect such a substantial increase. She asserts that much of the increase is due to reserve funds and sinking funds which she considers unreasonable. She contends that there is no evidence of future works. More generally, the Applicant says she has concerns about the standard and consistency of some of the services provided.
14. The Respondent states that it provided the Applicant with the service charge budgets and year end accounts as part of the disclosure on 14 April 2026. The budgets provide an outline of what is included in each cost overhead. The Respondent explains that the increase in 2024-25 is to build a reserve fund for the majority of the re-decoration works to be carried out which includes replacement of the bin and bike store, external paintwork for the blocks, line and number painting in the car parks for the blocks, internal redecoration and complete carpet replacements for the internal areas of the blocks. To this end, the budget for the redecoration fund in the service charge year 2024-25 was increased to £33,000 from £5,000 the previous year.
15. The Respondent further contends that the Applicant has not properly particularised any specific service charges which she considers are not payable or reasonable, or why. The Respondent states that the Applicant has failed to provide any supporting evidence to show that any of the service charges are unreasonable in amount or that works were not carried out to a reasonable standard.

The Tribunal’s decision

16. **The Tribunal determines that the amount payable in respect of the service charges demanded in the years 2024-25 and 2025-26 (based on the budgeted figures) is payable and reasonable, save for those contributions to the reserve fund deemed not recoverable under (ii) below.**

Reasons for the Tribunal’s decision

17. Section 27A of the 1985 Act enables the Tribunal to determine whether a service charge is payable and, if so, by whom, to whom, in what amount and when.
18. Section 19(2) of the 1985 Act provides that where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable.
19. The burden of establishing that a service charge is recoverable lies upon the landlord seeking to recover it, although a tenant seeking to challenge service charges must present a prima facie case that they are not reasonable or payable.
20. Save for the two items (redecorations fund and building safety reserve fund) which are challenged in the reserve fund contributions which are dealt with under (ii) below, the Applicant has not identified any individual service charge item which she considers to be not payable or not reasonable. Neither has she provided any evidence in support of her general concerns about the standard and consistency of the services carried out.
21. The Tribunal is therefore not satisfied that the Applicant has made out a prima facie case as to why the service charges generally are not payable or reasonable either by reference to the terms of the Lease or by reference to the amount charged and/or standard of work.
22. Accordingly, the Tribunal finds that the budgeted service charges are payable, as demanded, in the service charge years 2024-25 and 2025-26, save for the contributions to the reserve fund deemed not recoverable under (ii) below.

(ii) The payability and/or reasonableness of the budgeted reserve fund contributions generally and specifically as to a) redecoration, and b) building safety for the years 2024-25 and 2025-26 as follows:

- **General reserve fund contributions 2024-25: £48,000 total of which £33,000 for the redecoration fund and £10,000 for the Building Safety reserve fund.**
 - **General reserve fund contributions 2025-26: £42,000 total of which £27,000 for the redecoration fund and £10,000 for the Building Safety reserve fund.**
23. The Applicant contends that the budgeted reserve fund contributions are unreasonable generally because they have increased from £10,000 in 2023-24 to £48,000 in 2024-25 and £42,000 in 2025-26.

24. As to the redecoration fund, the Applicant disputes the reasonableness of collecting this amount where the relevant works had not commenced during the service charge year and where no Section 20 consultation process had begun. She states that the Respondent subsequently confirmed that the works remained under review and had not yet commenced.
25. As to the building safety fund, the Applicant disputes the reasonableness of this contribution and requires the Respondent to justify the basis upon which the sum was calculated and demanded, including the anticipated works or liabilities to which the contribution relates.
26. In response, the Respondent relies on *Wynne v Yates* [2021] UKUT 278 (LC) at [11] in support of the proposition that it is for the party bringing an application under section 27A LTA 1985 to adduce sufficient evidence to establish a prima facie case of unreasonableness. The Respondent further relies on the case of *Assethold Limited v Adam* [2022] UKUT 282 (LC) to assert that the landlord in deciding what to do must follow a reasonable process and then adopt a reasonable course of action.
27. The Respondent's primary case is that the Applicant has not made out a prima facie case of unreasonableness. In the alternative, the Respondent states that the manager is permitted to collect funds in anticipation of future works under paragraph 13 of Part C of the Sixth Schedule of the lease. The Respondent contends that the process and course of action adopted was reasonable as set out in the witness statement of Mr Dale.
28. Mr Dale states that consultation for the external re-decoration works, the replacement of the bin and bike store, line and number painting in the car parks, internal redecoration and carpet replacements has not yet started because there are insufficient funds. He says the consultation process will be adhered to when the time is appropriate. The Lease doesn't permit ad hoc demands and so it is good estate management to collect charges in anticipation to minimise the risk of any delays in works or deficits in the year end accounts. Two quotes have been obtained for the works to the bin and bikes stores: one from Lynx Response dated 11 August 2025 in the sum of £64,512, and another quote from Xtra Maintenance in the sum of £9,564.
29. As to the building safety fund, Mr Dale states £10,000 per year has been collected in 2024-25 and 2025-26 to create a reserve fund for long term and future services and works associated with requirements under the Building Safety Act 2022.

The Tribunal's decision

30. **The Tribunal determines that the amount payable in respect of the budgeted reserve fund contributions in the years 2024-25**

and 2025-26 is payable and reasonable, save for the Applicant's proportion of the building safety reserve fund contributions.

Reasons for the Tribunal's decision

31. Section 19(2) of the 1985 Act provides that where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable.
32. The burden of establishing that a service charge is recoverable lies upon the landlord seeking to recover it, although a tenant seeking to challenge service charges must present a prima facie case that they are not reasonable or payable.
33. Paragraph 13 of Part C of the Sixth Schedule of the lease gives a discretion to the manager to collect:

"Such sum as shall be considered reasonably necessary by the Manager (whose decision shall be final as to questions of fact) to provide a reserve fund or funds for items of future expenditure to be or expected to be incurred at any time in connection with the Maintained Property".
34. The Tribunal finds that the Applicant's general challenge to the sums demanded for reserve funds is not made out. The Manager is entitled to provide a reserve fund for future expenditure and save for the redecoration fund and the building safety fund (dealt with below) the Applicant has not identified any individual reserve fund items which she considers to be not payable or not reasonable, nor why.
35. As to the redecoration fund, the Tribunal finds that there was a clear rationale for the increase of reserve funds based on the anticipated cost of the major external and internal redecoration works, bin and bike store replacement, line and number painting in the car parks and internal carpets. The Tribunal finds, based on the evidence of Mr Dale, that the Manager has followed a reasonable process in obtaining quotes for this work and has adopted a reasonable course of action to build up sufficient funds for these works to be undertaken in the future.
36. The Tribunal is satisfied that the redecoration fund collected is no greater than is reasonable. Without collecting reserve funds over a period of years, there would be insufficient funds to maintain the block. The Tribunal finds that it is not necessary for a s20 consultation to take place before collecting reserve funds.
37. As to the building safety fund, the Tribunal is not so satisfied. A building safety fund could fall within Paragraph 13 of Part C of the Sixth Schedule of the Lease. However, the Tribunal does not know, based on the

evidence of Mr Dale, what the building safety fund is for. Building safety covers a wide range of matters, some of which may fall to be paid by the leaseholders and some of which may not. Without a proper explanation as to the purpose of the fund and what works are anticipated, the Tribunal cannot be satisfied that the Manager has considered what is reasonably necessary, that a reasonable process was followed or that the Manager has adopted a reasonable course of action, collecting no greater amount than is reasonable.

38. For this reason, the Tribunal determines that the Applicant's proportion of the Building Safety reserve fund contribution is not payable or reasonable.

(iii) The payability and/or reasonableness of the budgeted service charges for reactive refuse removal costs for the year 2025-26 in the sum of £10,860 (total cost)

39. The Applicant argued that the substantial increase in reactive refuse removal costs was unreasonable, particularly given continuing bin store and waste management issues at the development during the relevant period. The budget had increased from £4,000 in 2024-25 to £10,860 in 2025-26.
40. The Respondent explained that due to the condition the bins are left in, an increase in contractor attendance is required to enable the waste to be collected. Canada Cleaning are going to carry out 52 bin store cleans per year. The increase reflected the need to increase the visits. Additional costs are also required to remove large bulk items that are dumped in the bin stores that will not be collected by the Council. Mr Dale confirmed in his statement that the actual expenditure in the 2025 end of year accounts was £4,810, showing the need for an increase.

The Tribunal's decision

41. **The Tribunal determines that the amount payable in respect of the budgeted service charges for reactive refuse removal costs for the year 2025-26 in the sum of £10,860 (total cost) is payable and reasonable.**

Reasons for the Tribunal's decision

42. The Tribunal accepts Mr Dale's evidence that the cost of reactive refuse removal went over budget in 2025, based on the end of year accounts. The Tribunal is satisfied that there is an increased need for refuse removal based on the detailed evidence in Mr Dale's statement. Given the issues with waste dumping on the estate, and the Applicant's own observations about the continuing waste management problems, the

Tribunal is satisfied that the amount budgeted in the sum of £10,860 is not greater than is reasonable.

Application under s.20C and refund of fees

43. In the application form the Applicant applied for an order under section 20C of the 1985 Act. Given that the Applicant has succeeded in part, the Tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Respondent may not pass any more than 80% of its costs incurred in connection with the proceedings before the Tribunal through the Applicant's proportion of the service charge.
44. The Tribunal does not order the Respondent to refund any fees paid by the Applicant.

Name: Judge J Moate

Date: 01 September 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).