FIRST - TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	HAV/23UG/LSC/2026/0047
Property	**:**	16 Sweetbriar House, Chapel Hay Lane, Churchdown, Gloucester, GL3 2H
Applicant	**:**	Park House Freehold (Southsea) Limited
Respondent	**:**	Clive Walby
Type of Application	**:**	Determination of liability to pay and reasonableness of service charges Section 27A Landlord and Tenant Act 1985
Tribunal Members	**:**	Judge C A Rai
Date type and venue of Hearing	**:**	12 November 2026 Paper determination; Rule 31 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (the Rules)
Date of Decision	**:**	12 November 2026

DECISION

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1. The Tribunal determines that the Applicant is liable to pay an adjusted amount in respect of communal electricity from that shown on the Summary [83]. The Respondent agreed to cap the amount of the variance between the estimate and the sum recoverable to £683.97.

2. The Tribunal makes no adjustment for the cost of communal cleaning.

3. The balance due from the Applicant for 2023/2024 is £126.19.

4. The reasons for its decision are set out below.

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Background

5. The Applicant has made an application for determination of liability to pay and reasonableness of service charges for the period 1 April 2023 to 31 March 2024, received by the Tribunal on 21 January 2026.

6. During a case management and conciliation hearing, attended by both parties, which took place remotely by video on 21 July 2026, Regional Surveyor Coupe established that the dispute is limited to the communal cleaning and electricity costs for the 2023/2024 service charge year.

7. Subsequently the parties were directed to exchange statements of case and directed that, unless objected, the application would be determined on the papers. Neither party subsequently objected.

8. Following receipt of the determination bundle (97 pages) prepared by the Applicant, the Tribunal reviewed the content and Deputy District Judge Skinner directed that the application remained suitable for determination on the papers.

9. The Tribunal has received a determination bundle (97 pages). References to numbers in square brackets in this decision are to the electronically numbered pages of the bundle. The Tribunal has reviewed its content. In reaching this decision and providing the parties with reasons the Tribunal has taken account of its overriding objective in Rule 3, referred only to the main issues and evidence in dispute and explained how those issues have influenced its decision.

The Applicant's Case

10. Communal cleaning (and failure to comply with the lease)

The Applicant refers to the costs shown in the Excel spreadsheet for the 2023/2024 service charge year which he said are £9,251.15. The Tribunal has not been able to find the spread sheet to which he refers in the bundle. He said that payments were made to Interclean Management Services. He said that "the RTM company wanted to retain the same company for continuity and quality of service so obtained a quote for an identical service and frequency a copy of the quote is provided with this position statement" [57].

11. In reliance on an estimate for cleaning costs, dated 4 March 2024, obtained from Interclean, in response to an email to CMG Leasehold Management Ltd he has concluded that the amount charged for the 2023/2024 service charge year is unreasonable because it exceeds the amount quoted which was £3,480 + VAT (£4,174).

12. The Applicant does not accept that it is not appropriate to compare a quote for the costs in 2023/2024 against a quotation for estimated costs for 2024/2025. He has suggested that the difference "throws serious doubt about the excessive "transaction costs" used by the Respondent in previous years.

13. Communal Electricity

The Applicant submits that he has been overcharged for the cost of communal electricity during the 2023/2024 service charge year. He has stated that the total invoiced costs were £21,370.07. He states that payments made by the leaseholders during the 2021/2022 and 2022/2023 service charges of £6,739.40 and £6,506.92 (totalling £13,246.32 which he says should be deducted. He says that the balance of £8,123.70 represents the overpayment. The submissions appear to have been based in part upon the non-disclosure of the information of the sums invoiced.

14. The Applicant identified that the Respondent had relied on estimated electricity invoices between November 2021 and April 2024. He said that this contradicted information given to leaseholders at a residents meeting on 4 July 2023 (the purpose of which was to discuss the 2023/2024 service charges) [74]. Hannah Heera the Retirement Living Delivery Manager had explained reasons for the rises in the electricity costs, and that the supply was not classed as domestic and not capped. Furthermore, the costs had been fixed, by the Respondent when rates were at their peak. Subsequently usage had been controlled and reduced.

15. The Applicant referred to what he termed as, errors, in the service charge summaries. [These were later acknowledged by the Respondent to have arisen as "an issue with links" in an email sent by Rasila Mistry to which she attached two "distinct files" with the complete versions of the documents previously provided] [81].

16. The Applicant also supplied evidence, (copies of emails) to demonstrate difficulties he encountered when attempting to obtain copies of the electricity accounts [88 – 97].

17. The previous charge (later referred to as an initial charge) for 2023/2024 was £20,683.97. The Respondent having reviewed the estimates concluded that the actual costs exceeded that amount and provided two different "actual" figures, £24,826.74 [96] and £22,970.22 [97]

18. Further the Applicant alleged that the Respondent is in breach of its obligations in the lease in relation to the cleaning costs, referring to sections 4(a) and 4(b) [26] reproduced below.

(a) To perform and observe either by itself or by its servants or by delegation to independent contractors the covenants contained in the Eighth Schedule hereto

(b) To keep or cause to be kept proper books of accounts containing details of:

(i) all sums of money expended and all costs incurred by the Association of and incidental to the performance of its obligations or the exercise of its powers under this Lease

(ii)all sums of money credit or other consideration (if any) received by the Association from Lessees of the Flats

19. The Applicant submits that the absence of the provision by the Respondent of copies or access to sight of the electricity invoices for his property evidence a breach of lease and that it is the Respondents duty to ensure that the correct invoicing relating to the Applicant's property is kept within the terms of the lease.

20. The Applicant has provided copies of the email correspondence evidencing his attempts to obtain copies of, or inspect, the electricity invoices relating to the supply to the common parts of his Property.

The Respondent's case

21. This is for the most part set out within a Statement of Truth dated 9 September 2026, made by Rasila Mistry, Performance & Compliance Manager – Rent & Service Charges on behalf of the Respondent [59 – 61].

22. The Respondent has stated that the costs for communal electricity and cleaning were incurred in providing those services, properly allocated and recoverable under the lease. Whilst acknowledging the concerns which the Applicant raised Ms Mistry stated that there is no evidence which demonstrates that the charges are unreasonable, outside the scope of what is recoverable under the lease or not recoverable for any other reason. It stated that it was not possible to compare the charges year on year as in the absence of actual information at the end of a service charge year estimated costs were reconciled against the payments made and accruals balancing charges and adjustments subsequently made because invoices related to different accounting periods. [59].

23. The Respondent also denied that it was in breach of its obligations in the lease.

24. Following the exchange of statements of case the Respondent provided updated copies of the Summary of service charges for 2023/2024 and the electricity reconciliation spreadsheet [83 – 87]

The Law and the Lease

25. The Applicant is liable to pay a 1/31 share of the "Shared Expenses" defined in the lease of the Property dated 30 March 1988 and made between Nivek Investments Limited (1) Jephson Second Housing Association Limited (2) and Ernestine Cumber (3).

26. The Application form identifies that Sweetbriar House is a 3 storey block of 32 flats. A copy of the Lease of Flat 16 was provided with the application. The Applicant states that he occupies Flat 16. No actual evidence of his ownership has been provided by the Applicant.

27. The lease was made between the Freeholder, the Jephson Housing Association and the original lessee. It refers to the accommodation as sheltered housing for the elderly [24] and provides for the Housing Association to manage the building. It documents an intention (expressed not to be a legal obligation) on the part of the freeholder to transfer the freehold to the Association following the sale of all the flats. No information has been provided to the Tribunal explaining whether the Respondent is the current freeholder.

28. The lessee is required to contribute the Lessees Proportion (one thirty-first part) [23] of the Shared Expenses, defined as the moneys actually expended or reserved as expenditure for carrying out the works contained in the Fifth Schedule [32]. The Fifth Schedule lists the costs which are recoverable. These costs include of cleaning and lighting the Common Areas and the windows and keeping the Maintained Property lit.

29. Service charges are collected annually in advance on 1 January, and 1 July based on estimated costs and reconciled following the end of the service charge year following which the Freeholder or the Association shall produce an Account of the costs incurred and can demand a balancing payment or credit the leaseholders for any overpayment. See the Sixth Schedule to the lease [36].

30. The application has been made in reliance upon section 19 and 27A of the Landlord and Tenant Act 1985. Broadly section 19 provides that relevant costs will be taken into account in determining a service charge only when they are reasonably incurred or if the works or services are of a reasonable standard. Section 27A enables a Tribunal to determine, amongst other things, whether a service charge is payable and the amount payable. Full copies of both sections are in the Schedule to this decision.

31. The Applicant has not disputed that he is liable to pay service charges. He has challenged the amount of the service charges paid for 2023/2024 and whether the Respondent is able to recover the charges because he alleges that it is "in breach" of its obligations in the lease. This is not an application for breach of lease. Rather the Applicant appears to be alleging that if the Tribunal finds that the Respondent has failed to comply with its obligations in calculating the service charges, the result of that should be that it will not be able to recover some charges from the Applicant.

Reasons for the Decision

32. The Tribunal finds that the Respondent is entitled to recover costs it has incurred in providing communal electricity and communal cleaning. The lease obliges the Respondent to provide these services and entitles it to recover its costs for so doing from the leaseholders. The Applicant is contractually bound by the lease to pay his share of these costs.

33. The Applicant has not provided the Tribunal with any copies of service charge demands addressed to him. The only information about the sums due are in the Service Charge Summaries.

34. The application is in the sole name of the Applicant and made only in respect of Flat 16. He has not referred to any amount which he believes he has overpaid. Instead, he has sought to "deduct" charges paid in previous years from a total balance shown in 2023/2024. No evidence of any sums previously paid have been disclosed. Curiously in his submissions he refers from time to time to a RTM Company [57].

35. The bundle contains copies of an email dated 5 February 2024, sent by Shakespeare Martineau LLP (Solicitors) and Interclean Estate Management Services Limited (Interclean) [79] which discloses that Sweetbriar House RTM Company Limited acquired the Right to Manage Sweetbriar House on 31 March 2024.

36. Following the receipt of that information Interclean, offered to provide a quotation for cleaning services from April 2024 [77 - 79]. This is the quotation used by the Applicant as evidence that the cleaning charges invoiced by the Respondent were too high.

37. The Applicant appears to be making this application to obtain an adjustment to the costs incurred by the 32 leaseholders of Sweetbriar House. However, since the application has been made in his name, without any authority to act on behalf of others, it has been treated as an application made by him in respect of his Property.

38. The only information which the Tribunal has about the 2023/service charge is contained in three different versions of the same document titled:-

    a. Service charge statement of account for Sweetbriar House – 1 April 2023 to 31 March 2024 (marked SUMMARY ISSUE TO RESIDENTS) [63]

    b. Revised service charge summary service charge statement of account for Sweetbriar House – 1 April 2023 to 31 March 2024 1 April 2023 to 31 March 2024 (marked RE ISSUE ONCE AUDITED) [66]

    c. Revised service charge summary service charge statement of account for Sweetbriar House – 1 April 2023 to 31 March 2024 [83] (marked NEW SUMMARY – AUDITED ACCOUNTS (RECEIVED 14 SEPT 2026) [83].

39. None of these statements are addressed to the Applicant. They appear to general statements issued to each leaseholder following the reconciliation of the estimated expenditure against the actual expenditure after the end of the 2023/2024 service charge year. They list the services by category, with three columns of figures headed Estimate, Actual and Variance. At the end of each statement the figures in the three columns are totalled and a calculation made of each leaseholder's "Lease Percentage Share" of 3.125% with an amount described as the "Total Flat Service Charge"

40. Since the statements refer to actual costs, all three statements must have been provided leaseholders in Sweetbriar House **after** the end of the 2023/2023 service charge year.

41. The share shown as due from each leaseholder is different in each statement and is:-

    d. £910.84 [64],
    e. £860.83 [67],
    f. £147.63 [83].

42. Relying on the description in the lease I have concluded that Sweetbriar House contains 32 flats. However, the lease exhibited in the bundle refers to the lessee being liable for a 1/31 share. (See paragraph 28). The 3.125% shown at the end of the Service Charge Summaries is a 1/32 share.

43. Without clarification from either party, I have assumed that both parties accept that 3.125% which the Respondent has sought to recover from individual leaseholders is the correct contribution . If that is not the case the contractual share due from the Applicant under the terms of this lease is greater.

44. The application relates only to cleaning and communal electricity charges. In the three Service Charge Summaries it is only the electricity costs which are different. I have summarised the costs below

		Estimate	**Actual**	**Variance**
a	Communal electricity	20,000.00	16/5/2025	25,793.00
b	Communal electricity	20,000.00	44,192.41	20,192.41
c	Communal electricity	20,000.00	21,370.13	1,370.13
a	Cleaning	9,364.80	1,440.00	-7,924.80
b	Cleaning	9,364.80	1,440.00	-7,924.80
c	Cleaning	9,364.80	1,440.00	-7,924.80

45. Following the issue of the second and third Service Charge Summaries, (b and c), the Respondent informed the Applicant that notwithstanding it had finally determined actual electricity costs and these exceeded the previous electrical charges of £20,683.97 it would not pass the additional charge (the difference between that amount and the actual cost) "on to customers at Sweetbriar". This was confirmed in two emails to the Applicant dated 27 June 2025 and 1 August 2025 [96, 97].

46. Since the Applicant made the application additional information has been supplied by the Respondent with regard to electricity invoices in the form of a spreadsheet (which runs across the A4 pages) but which shows that the electricity invoices for the period total £21,370.13 [69, 87].

47. Although not explained by the Applicant, if he paid the advance service charges for 2023/2024 of £2,924.61, shown on all three versions of the service charge summary the balancing payment now due which according to the Respondent does not contain any additional charge for electricity is £147.63 [84]. The Tribunal does not agree because the difference between the estimate of £20,000 and the difference shown on that statement is £1,370.13. That figure is the amount shown on the spreadsheets. (See paragraph 46 above).

Conclusion

48. The Cleaning costs for 2023/2024 were effectively nil. The Applicant received a share of a credit of £7,924.80. Therefore, I find that there is no merit whatsoever in the Applicant's claim that it was overcharged.

49. The balance due from the Applicant for 2023/2024, in addition to the amount originally demanded "on account" (£2,924.61) shown on latest version of the Service Charge Summary is £147.63. [84].

50. I conclude that, based on the Respondent's, the variance due for electricity it has now agreed (and it has accepted that this does not reflect the invoices paid) should be £683.97.

51. Applying this downward adjustment to the latest version of the Service Charge Summary, the total variance is £4,033.99, of which a 3.125% share is £126.19. That is the balance recoverable from the Applicant for the service charge year 2023/2024, if it remains unpaid.

Appeals

1. A person wishing to appeal this decision to the Upper Chamber must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision. Where possible you should send your further application for permission to appeal by email to **rpsouthern@justice.gov.uk** as this will enable the First-tier Tribunal to deal with it more efficiently.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

SCHEDULE
Extracts from Landlord and Tenant Act 1985
19.— Limitation of service charges: reasonableness.

(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period—

(a) only to the extent that they are reasonably incurred, and

(b) where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard;

and the amount payable shall be limited accordingly.

(2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

[...][1][...][2][

(5) If a person takes any proceedings in the High Court in pursuance of any of the provisions of this Act relating to service charges and he could have taken those proceedings in the county court, he shall not be entitled to recover any costs.

27A Liability to pay service charges: jurisdiction

(1) An application may be made to [the appropriate tribunal][2] for a determination whether a service charge is payable and, if it is, as to—

(a) the person by whom it is payable,

(b) the person to whom it is payable,

(c) the amount which is payable,

(d) the date at or by which it is payable, and

(e) the manner in which it is payable.

(2) Subsection (1) applies whether or not any payment has been made.

(3) An application may also be made to [the appropriate tribunal][2] for a determination whether, if costs were incurred for services, repairs, maintenance, improvements, insurance or management of any specified description, a service charge would be payable for the costs and, if it would, as to—

(a) the person by whom it would be payable,

(b) the person to whom it would be payable,

(c) the amount which would be payable,

(d) the date at or by which it would be payable, and

(e) the manner in which it would be payable.

(4) No application under subsection (1) or (3) may be made in respect of a matter which—

(a) has been agreed or admitted by the tenant,

(b) has been, or is to be, referred to arbitration pursuant to a post-dispute arbitration agreement to which the tenant is a party,

(c) has been the subject of determination by a court, or

(d) has been the subject of determination by an arbitral tribunal pursuant to a post-dispute arbitration agreement.

(5) But the tenant is not to be taken to have agreed or admitted any matter by reason only of having made any payment.

(6) An agreement by the tenant of a dwelling (other than a post-dispute arbitration agreement) is void in so far as it purports to provide for a determination—

(a) in a particular manner, or

(b) on particular evidence,

of any question which may be the subject of an application under subsection (1) or (3).

(7) The jurisdiction conferred on [the appropriate tribunal][2] in respect of any matter by virtue of this section is in addition to any jurisdiction of a court in respect of the matter. [...][3]