

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	CAM/26UF/LAM/2020/0004
HMCTS code (audio, video, paper)	:	A:BTMMREMOTE
Property	:	16 Church Lane, Royston SG8 9LG
Applicants	:	 Michael David Scherchen (No. 8) Longstanton Golf Holdings Limited (No. 8a) Christopher David Short and Madeleine Frances Legg (No. 9) Maria Day (No. 9a)
Representative	:	Longmores Solicitors
Respondent	:	S. Cheveron Ltd
Representative	:	Chhokar & Co Solicitors
Type of application	:	Appointment of a manager
Tribunal members	:	Judge David Wyatt Mary Hardman FRICS IRRV (Hons)
Date of decision	:	27 April 2021

DECISION

Covid-19 pandemic: description of hearing

This has been a remote audio hearing. The form of remote hearing was A:BTMMREMOTE. A face-to-face hearing was not held because it was not practicable and all issues could be determined in a remote hearing. The documents we were referred to are described in paragraphs 3 to 5 below, the contents of which we have noted.

Decisions of the tribunal

- (1) The tribunal does not make an order for appointment of the proposed manager.
- (2) The tribunal orders under section 20C of the Landlord and Tenant Act 1985 that all the costs incurred by the Respondent in connection with these proceedings are not to be regarded as relevant costs to be taken into account in determining the amount of any service charge payable by the Applicants.

Reasons

Application

- 1. The Applicant leaseholders of the four residential flats at the Property applied to the tribunal for an order under section 24 of the Landlord and Tenant Act 1987 (the "**1987 Act**") appointing Lee Gardner of Uniq Block Management Ltd ("**Uniq**") as a manager.
- 2. The Applicants sought the order on the grounds set out in their preliminary notice dated 11 August 2020, which is considered below. The procedural judge gave case management directions on 26 October 2020. The Respondent landlord did not oppose the application, accepted the need for a management order and agreed that Mr Gardner would be an appropriate manager. There was no inspection. The directions stated that the judge considered an inspection was not required and good quality photographic or video evidence would be admitted. The parties did not request an inspection and produced colour photographs in the bundle. We are satisfied that an inspection is not necessary to determine the issues in this case.
- 3. The Applicants provided a hearing bundle of 160 pages. They sent an agreed draft management order on 22 January 2021 and a summary of the points they had agreed with the Respondent on 5 February 2021. They also sent a skeleton argument on the morning of the hearing. This made an application for an order under section 20C of the Landlord and Tenant Act 1985 (the "**1985 Act**") to prevent the Respondent from recovering its legal costs through the service charge.
- 4. At the hearing on 11 February 2021, the Applicants were represented by Miss Rebecca Cattermole of Counsel. Rosemary Green, Michael Scherchen and Mr Day (for Maria Day) attended. The Respondent was represented by Ms Ceri Edmonds. The proposed manager, Mr Gardner, attended as explained below.
- 5. At the hearing, it became clear that, while the parties had sought to agree matters, they had not addressed key practical issues and had

omitted relevant documents. Other problems also emerged from questions put to Mr Gardner at the hearing. The parties asked us to give more time for them to address these proposals rather than simply determining the application based on what they had provided for the hearing. We considered that it would not be in accordance with the overriding objective to arrange a second hearing, but decided to give the parties a final opportunity to discuss matters urgently with Mr Gardner to seek to agree a workable scheme of management, addressing the outstanding matters and providing the missing documents, and submit this for us to consider before making our decision. We asked how long they would need to do this, and they asked for a further three weeks. To assist them, we set out in further directions dated 16 February 2021 the main points to be dealt with in a supplemental bundle of documents to be provided by 11 March 2021, deliberately giving more time than had been requested. We directed that we would then determine this matter on or after 18 March 2021. On 11 March 2021, the parties provided their supplemental bundle of 104 pages, with a covering letter which is considered below.

Property

6. The Respondent purchased the freehold title to 16 Church Street on 30 October 2015. This is a mixed-use building, with commercial premises on the ground floor and a dance studio. The four residential flats are on the first floor, accessed by stairs from a service yard at the rear of the building leading to an external communal first-floor area.

Relevant issues

- 7. In the case management directions, the following issues were identified for determination. Each of these is examined in turn below.
 - Did the preliminary notice comply with section 22?
 - Have the Applicants satisfied the tribunal of any grounds for making an order as specified in section 24(2) of the 1987 Act?
 - Would the proposed manager be a suitable appointee and, if so, on what terms and for how long should the appointment be made?
 - Is it just and convenient to make a management order?

Preliminary notice

8. Before an application is made for a management order under section 24, section 22 of the 1987 Act requires the service of a preliminary notice which must (amongst other things) set out: (a) the grounds on which the tribunal would be asked to make the order; and (b) steps for

remedying any matters relied upon which are capable of remedy, giving a reasonable period for those steps to be taken.

- 9. The parties agreed that the preliminary notice dated 11 August 2020 (served by the Applicants on the registered office of the Respondent by first class post and by recorded delivery) complied with section 22. The Respondent questioned the time of service of the notice, saying it had experienced difficulties with a postal redirection and did not become aware of the notice until 11 September 2020.
- 10. Having examined the preliminary notice, we are satisfied that it complied with section 22. It was deemed served on the registered office of the Respondent. The Respondent had not taken any of the action required by the notice, even within a reasonable period after it said it had received the notice.

Grounds under s.24(2) of the 1987 Act

- 11. Under section 24(2) of the 1987 Act, the tribunal may appoint a manager in various circumstances. These include where the tribunal is satisfied:
 - a) that:
 - any *"relevant person"* (in this case, the Respondent) is in breach of any obligation owed by him to the tenant under their tenancy and relating to the management of the premises in question or any part of them; and
 - \circ it is just and convenient to make the order in all the circumstances of the case (section 24(2)(a)); or
 - b) that other circumstances exist which make it just and convenient for the order to be made (section 24(2)(b)).

Breach of obligation(s) and related matters

- 12. Under the leases held by the Applicants:
 - a) the "**Development**" is the entire property at Church Lane/Melbourn Street in Royston; and
 - b) the "**Block**" means the part of the building on the Development shown edged green on the plan and comprising the four residential flats and: "...the pathway and forecourt leading thereto TOGETHER WITH all sewers drains flues gutters pipes wires cables conduits and other service media serving the same and/or passing thereon or thereunder";

- c) the "**Block Amenity Area**" means all the remaining parts of the Block other than the Flats; and
- d) the "**Flats**" means the four residential flats forming part of the Block, including ceilings and decorative finishes "...*but excluding the foundations, structure and roofs*...".
- 13. The landlord covenants in the leases to provide:
 - a) the "**Block Services**", which include: "...maintenance renewal and upkeep in good repair of the main structure of the Block including (but not by way of limitation) the roof exterior floor joists and the load bearing walls of the Block (excluding the Flats)...", lighting and keeping clean tidy and in good order the Block Amenity Area, insuring the Block, payment of fees to managing agents or professional advisers in connection with the collection of rent and management of the Block generally and establishing such financial reserve for the maintenance of the Block as from time to time considered necessary; and
 - b) the "**Development Services**", which include a similar range of services in relation to the Development (excluding the Block and with no specific requirement for buildings insurance, but with provisions for insurance against public and similar liabilities).
- 14. As a matter of interpretation, the Block would include the flat roof above the Flats. The roof is specifically excluded from the definition of the Flats but not from the definition of the Block, and the Block Services include repair of the roof. Further, the parties have now agreed (in essence) by reference to the lease plans that the Block includes the part coloured green (the flats and the passageway) and the part coloured yellow (which they describe as a roof terrace and is apparently the "*forecourt*" described in the Block definition). They also agreed that the part coloured orange, next to that forecourt, was the amenity area used by a commercial tenant (the dance studio).
- 15. Each leaseholder covenants to pay 25% of the expenditure on the Block Services (the "**Block Service Charge**") and a percentage of the expenditure on the Development Services calculated by dividing the gross internal area of the Block by the gross internal area of the buildings on the Development, multiplied by 100 and divided by four (the "**Development Service Charge**").
- 16. The Applicants alleged (in essence) failure by the landlord to collect service charges or provide any of the specified services for many years. It was alleged in their skeleton argument that they had discovered the buildings insurance had lapsed (in late 2020) and they had been shown a new certificate of the insurance in place from 4 February 2021. This

was not disputed by the Respondent. As we directed, a copy of that new policy was disclosed by the Respondent and included in the supplemental bundle.

- In relation to the matters set out in their preliminary notice, the 17. Applicants alleged that the Respondent had failed to repair the (flat) roof above the flats. They said its condition had deteriorated to the point that all four flats had been affected by persistent mould, water leaks and collapse of sections of their ceilings. A quotation obtained from Performance Roofing Ltd in November 2019 advised that replacement was the only option. It stated the main deck was sagging, leaving drainage outlets higher than the water level, and various penetrations and punctures had been covered with poor repairs (using generally unsuitable materials). The Applicants also alleged failure to clean and ensure removal of rubbish from the commercial premises and various other general failures to provide the specified services. Mr Gardner confirmed that, based on his inspection, it appeared no maintenance work had been undertaken for years. He said the flat roof was in "complete" disrepair, the roof terrace was in bad order and obstructed with items, the gutters were blocked, downpipes were running onto the terrace area and water could not drain away because gullies were blocked.
- 18. The Respondent did not deny the alleged breaches and apologised for not complying with "*the formalities*" in relation to the management of the Property. It said it had only "*very recently*" acquired the freehold and the condition of the Property had been the same prior to their ownership. However, in the supplemental bundle, it argued that the parts coloured yellow and orange on the plans (the roof terrace areas described above) remained in "*proper*" condition, having been "*covered in stones and chippings*".

Conclusion

- 19. We are satisfied that the Respondent is in breach of the repairing obligations owed by it to the Applicants under their leases and relating to the management of the Property. <u>British Telecom v Sun Life Assurance Society</u> [1996] Ch. 69 confirmed the well-established principle that a landlord's obligation to repair arises when the defect occurs, so the landlord is in breach of covenant immediately (unless the defect occurs in parts demised to the tenant, where the breach arises only when the landlord has notice of the defect and a reasonable period for performing remedial work has passed, which is not the case here).
- 20. This breach has clearly continued for some time. The photographs produced by the Applicants show deteriorated roof coverings and pooling water which is failing to drain away. They also show pooling of water outside the entrance to the flats, which is likely to have been caused by scaffolding pipes laid flat in the drainage channel and/or

failure to clear gutters and drains. The Respondent did not own the Property for some of the period complained of by the Applicants, which stretches back to 2013. However, it purchased the freehold title to the Property more than five years ago. Flat roofs can generally be expected to need replacement in much less time than conventional pitched roofs, but it has done nothing to arrange adequate repair or replacement. The Applicants said, and it was not contested, that they had complained to the Respondent and met with their representatives on 20 February 2020 to warn specifically that the roof had deteriorated beyond repair and urgent replacement was required, but nothing substantive had been done over the last year. We do not make a separate determination about the roof terrace area, since Mr Gardner's comments about that have now been disputed by the Respondent.

- 21. This determination does not mean that the Respondent is ultimately responsible for any or all the repair costs. That is a different question. In relation to the part above the Block, it may be that its failure to repair has caused damage which would otherwise have been avoided, such as additional repair costs or the physical damage described by leaseholders to their flats. However, it may be that the entire roof would always have needed to be replaced, not merely re-covered. We do not have the evidence we would need to decide this and Miss Cattermole agreed that would not be appropriate for us to attempt to do so for the purposes of this application.
- 22. In the circumstances, there is no need for us to make determinations in respect of each of the other breaches alleged. However, again, we note that the Respondent does not appear to dispute the alleged other failures to provide services and we take them into account. The other (non-breach) grounds relied upon by the Applicants are considered below.

Just and convenient

- 23. This includes consideration of whether the proposed manager would be a suitable appointee and, if so, on what terms (generally and in relation to the commercial parts of the Property), as part of the question of whether it is just and convenient to make a management order. We start by describing the matters dealt with at the hearing, then look at the outstanding issues.
- 24. Mr Gardner attended the hearing to ask questions about his suitability. He had been introduced by Ms Green, who he had known for some time but was not a friend. She owned properties in London and he had organised fixing leaks and maintenance work for her. He lived only about 25 minutes from Royston, which made it "*fairly*" easy for him to visit the Property. At the hearing, he had not realised that he would be appointed in his own name, with personal liability, and that he would be making decisions in consultation with the Applicants and the

Respondent, not simply taking instructions from the Applicants. He understood this when it was explained to him. The Applicants had told us that he had professional indemnity insurance, but the parties had misunderstood what this was and in fact he did not. He had produced evidence of insurance for Uniq for employer's liability (£10m) and public/products liability (£5m), and said at the hearing that he had directors' and officers' insurance, but did not have professional indemnity insurance - for Uniq or for his potential personal liabilities as a tribunal-appointed manager.

- Mr Gardner was a member of IRPM and moving to membership of 25. ARMA. He had more than 14 years' property management experience, having started his training with Rubicon Residential Management, including arranging major works and dealing with service charge recoveries. In 2007, he joined another firm of agents and gained his property management qualification from ARLA. He left in 2012 to set up his own maintenance and block management company, CV Property Management Ltd, before forming Uniq in 2019 to separate the maintenance business from the block management business. The property management side of the business was currently small, managing seven buildings with 100 units in total. The maintenance business had been his focus previously but for the last year he had been concentrating on block management, with the aim of taking on small blocks which he could run more effectively and were less attractive to larger managing agents. He had experience of major works and consultation exercises, and was currently running a project with costs of about £35,000. He had the benefit of his knowledge as a maintenance contractor, which helped him to know which businesses to invite to quote for work and to assess/negotiate their proposed prices. General property management was organised through a portal which enabled people to view their documents and raise issues online. He also had two people in the office to help with enquiries. He dealt with account queries himself. For each building he set up a dedicated account for the building and, if there was a reserve fund, a separate account for that reserve fund. He confirmed he could collect the ground rent from the Applicants and account to the Respondent for this, and he felt appointment for two years would be appropriate. His annual management fee would be £1,250 (£1,041.67 plus VAT, about £260 per unit).
- 26. Mr Gardner had visited the Property on two occasions and was familiar with the layout of the building/roof structures when we asked questions about this. For the hearing, he had produced a budget which seemed light, with £4,650 for routine items and £500 for a reserve fund, with no provision for insurance costs or any real provision for the substantial repair work needed. He explained some of the figures in the budget had been reduced following comments from the Applicants. He was not clear about how the insurance arrangements would work for the Block and the Development.

- He was also uncertain about the position in relation to the flat roof. He 27. explained that part of the flat roof covered the flats (i.e. is within the Block) but part is not, presumably covering the dance studio or other areas retained or let by the Respondent. He said the life expectancy of the flat roof was about 25 years and this roof was probably older than that. On 14 November 2020 he had attended the site with a supplier, M&S Roofing, who (he said) had advised that the roof would need to be replaced. He thought it might be possible to replace the part of the roof over the flats and leave the rest, although that would be far from ideal. He said the two quotations he had obtained from M&S roofing and another contractor were about £29,000. He felt this was realistic and the figure of just over £26,000, from the quotation shown to us from Performance Roofing in late 2019, seemed a little low. He doubted that insurers would make any contribution towards the costs of repairing the flat roof. His advice would be to carry out a consultation exercise and, if the landlord does not offer any contribution voluntarily, collect service charges from the leaseholders, get the roof or relevant part replaced to stop further problems as soon as possible, and the Applicants can take advice separately on whether/when to bring any claim against the landlord.
- 28. Mr Gardner explained that the roof terrace at the rear is also a potential problem, since it is (in effect) another flat roof, over the commercial premises. It will need to be repaired and the sooner basic maintenance work is done to help drainage and minimise the risks of leaks/damage the better. He was not sure whether it would be appropriate for him to take on management of this terrace area. The parties have since sought to resolve this point, at least in part, by agreeing that the roof terrace area coloured yellow on the lease plan is part of the Block.
- 29. The apparent lapse of the insurance in late 2020 occurred after the preliminary notice process but is obviously a serious concern. The problems the Applicants would have in seeking to sell or borrow against any lease, when the Respondent does not provide information packs/replies to enquiries for leaseholders, is another material concern. We also take into consideration the other grounds relied upon by the Applicants.
- 30. Ms Edmonds confirmed that the Respondent agreed it would be just and convenient to appoint a manager, but emphasised that so far as the Respondent was concerned this was not a complete breakdown. There was not a good relationship between the parties, but nor was there personal animosity or resistance.

Workable responses to the other specific issues identified at the hearing

31. The parties agreed that the proposed manager should be empowered to provide all the Block Services as defined in the leases (except as set out below in relation to buildings insurance) and all other management

functions of the landlord relating to the four leases and the Block. As noted above, the parties agreed that the roof terrace shown coloured yellow on the lease plan is the "forecourt" referred to in the definition of the Block. They also agreed that the manager should be empowered to provide any services in relation to this part.

Unresolved issues

- The parties were unable to agree the Development Service Charge 32. proportion as defined in the leases (by dividing the gross internal area of the Block by the gross internal area of the buildings on the Development, multiplying by 100 and dividing by four) because they had no internal area figures. We had asked alternatively that they propose some other appropriate percentage to reflect the Applicants' share of buildings insurance or other costs incurred by the Respondent in respect of the Development as defined in the leases, but the parties did not do so. The Applicants said (in essence) that by reference to energy performance certificates (which were not produced) they calculated that the flats (not the Block, but in practice this may be the same) represent 15% of the total area and the commercial units represent 85%, so each flat should pay one quarter of 15% (3.75%). This may or may not fit with the definition in the lease or be a reasonable proportion for us to fix in a management order. Unfortunately, the parties have not given us enough evidence about the buildings to enable us to determine this.
- 33. As to buildings insurance, the parties agreed that: "(*a*) the manager would liaise with the Respondent by each December to assist with the renewal of the buildings insurance of the Development; (b) the Respondent will provide evidence of renewal of the buildings insurance seven days prior to the renewal/expiry date and: (i) the Applicants will pay their share of the insurance premium to the Respondent as Development Service Charge Proportion; and (ii) if the Respondent fails to provide evidence of renewal, the Manager will be entitled to put buildings insurance in place at the cost of the Respondent and the Applicants". This appears to be a practical approach, since the terms of the lease are not helpful in this situation. However, again, the parties have not agreed the proportion that should be paid or given us enough evidence to enable us to determine it.
- 34. We had asked in the directions for confirmation of whether the Respondent would undertake to pay the proportion of the cost of replacing the flat roof which covers the area(s) other than the Block, or any other arrangement agreed by the parties to deal with this. The covering letter from the Applicants says that no agreement had been reached about this. No explanation was given, but it appears (from the budget in the supplemental bundle) that the Applicants are proposing to complete roof repairs: "for the 4x flats ONLY and not above dance studio". Unfortunately, we have not been given enough information to

assess this. It may well be appropriate, but we have nothing to explain what specific work is being proposed, how this will fit/join the other part of the flat roof and whether any additional work is needed to accommodate the apparently accepted facts that the supporting timbers on the other part of the roof are sagging. It should not be too difficult for the design of the works to accommodate this, but Mr Gardner said at the hearing that this approach was far from ideal. These matters do need to be considered and explained if we were to be satisfied that whatever the Applicants are proposing is appropriate.

- 35. Next in the directions, we gave the parties a final opportunity to produce better management proposals. We said these would need to include:
 - a) a realistic budget including all fees and plans to ensure that the necessary works will be carried out (explaining how this will be funded, with any contribution from the Respondent or entirely in the first instance by the Applicants and whether each person has confirmed they have sufficient funds ready to pay);
 - b) if not included in the above, full details of all fees which would be charged by the Manager or his companies, including any fees for management of consultation exercises and major works, arranging insurance or providing additional services; and
 - c) evidence of professional indemnity insurance cover of not less than £2m per claim for Uniq and Mr Gardner personally as a tribunal-appointed manager.
- 36. The supplemental bundle does not include any written management plan/proposals. As to (a), it contains a new annotated budget which seems more realistic, at £9,750 for basic charges and £20,000 for major works. However, this raises new questions, referring to such matters as £1,500 for upgrading the existing lighting "as positive the existing aren't working" - when this has not previously been mentioned. Similarly, there is no explanation of how the £20,000 has been calculated, when the quotations previously obtained were nearer £30,000 plus fees. The proposal to repair only the part of the roof above the flats is probably the reason for the difference, but again we have no explanation of or information about this. The covering letter from the Applicants states that "at present" the Applicants intend to fund all the required works themselves and each of the Applicants has "sufficient funds towards the proposed budget". It is not clear what "at present" is intended to mean, but there seems to be a real risk of the Applicants having to come back to the tribunal almost immediately for directions because these works have not yet been adequately planned.
- 37. The parties have not dealt with (b) or (c). No details have been provided of any additional fees (other than the basic management fee)

which would be charged by the proposed manager or his companies (for major works or for giving information packs, for example). The lengthy professional indemnity insurance quotation documents which have been produced in the supplemental bundle (and apparently would not be taken up unless the tribunal decides to appoint Mr Gardner) are for Uniq only and appear to be a normal property management policy. There is no indication that cover will be in place for Mr Gardner personally acting as a tribunal-appointed manager, despite the explanation we gave at the hearing and the specific reminder about this in the directions.

Conclusion

- 38. In the circumstances, we are not satisfied that it would be just and convenient to make an order under section 24 of the 1987 Act to appoint the proposed manager.
- 39. We considered making an order subject to a condition requiring provision of the missing evidence of adequate professional indemnity insurance for Mr Gardner as a tribunal-appointed manager, but that would leave too many other potential problems.
- 40. The parties have made progress in these proceedings, using the tribunal to help identify the practical problems of management and narrow the issues between them considerably. However, they have failed to produce adequate proposals for a workable scheme of management by a tribunal-appointed manager. When they had not prepared sufficiently for the hearing, we allowed them to try again and they have made some further progress, but they have not reached agreement on the outstanding issues nor provided us with sufficient explanation and evidence to enable us to determine these for them. Nor have they properly explained their management plans, generally or in relation to the major works. They have not explained the position in relation to fees or arranged the requisite professional indemnity insurance for Mr Gardner as a tribunal-appointed manager. We are not satisfied that it would be in accordance with the overriding objective for us to allow more time and tribunal resources by providing for a third set of substantive directions and possibly another hearing.
- 41. Mr Gardner gave the impression of being sensible and reliable, but his property management business is relatively small, if growing, and more is expected of a tribunal-appointed manager than a "normal" property manager. At the hearing, he had not fully appreciated the nature of the role he was being asked to take on. We explained it, and what the tribunal would be looking for, and hoped to be impressed by the proposals in the supplemental bundle. We were not. This does not give us sufficient confidence that he and the parties will be able to use any further directions we give in any management order to manage

effectively, in the absence of further investigation and resolution of at least some of the outstanding issues.

- 42. This type of appointment is not one to be taken on and then worked out afterwards. So far as practicable, parties need to carry out proper investigations, even if they need to spend money on reasonable fees to prepare workable management proposals in advance of the application rather than after an appointment, as we explained at the hearing. As it stands, there is still too much risk of the manager/parties having to come back to the tribunal for directions almost immediately, or too frequently, if we attempt to make a management order based on what we have been presented with.
- 43. Further, we have been given no proper explanation of why the parties do not agree (or which parties do not agree) to a "normal" appointment by the Respondent of Uniq or another management company to carry out the agreed matters on its behalf (as was suggested by a procedural judge some weeks before the hearing, when the parties applied for a consent order and hoped to avoid the need for the hearing). In circumstances where there is no opposition from the Respondent, it seems to us that this should be capable of agreement on terms which protect the parties, who are professionally advised and represented. That is another reason why we consider it would not be just and convenient to make a management order based on what has been provided to us.

Observations

44. The parties must be advised by their professional advisers. While we cannot advise and the parties cannot rely on our suggestions, they may wish to arrange further investigation of the main outstanding matters (as summarised in this decision) and seek to reach agreement on a workable scheme of management. We understand why the Applicants made this application, but all parties could and should have carried out more basic preparation before matters reached that stage, or at least before the hearing. They have used these proceedings to make real progress. Agreement on a practical way forward should not depend on any issue there may or may not be between the parties about the costs of these proceedings. If ultimately the parties cannot reach agreement, they can consider making a new, carefully prepared, application to the tribunal for appointment of a manager; this decision does not prevent them from doing so.

Section 20C/costs applications

45. There is a question as to whether under the terms of the leases the costs of these proceedings could be recovered through the service charge at all. However, Ms Edmonds confirmed that the Respondent did not intend to attempt such recovery and did not contest the application for

an order under section 20C of the 1985 Act. We said to the parties that in the circumstances we would make such an order in any event, because we consider it just and equitable to do so.

46. The Applicants referred to correspondence which they said included an agreement by the Respondent to pay their costs. However, they could not explain why the tribunal (which is a creature of statute, with no inherent jurisdiction) would have jurisdiction to make an order for costs in the absence of agreement by the Respondent to such an order or a decision by the tribunal under rule 13 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.

Name: Judge David Wyatt Date: 27 April 2021

<u>Rights of appeal</u>

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).