

Venue

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference CHI/8UH/LVM/2021/0002

Haccombe House, Haccombe, **Property** : Newton Abbot, Devon TQ12 4SJ

Mr Paul Jeffries **Applicant** : Mrs Ann Jeffries

Representative : Clarks Legal LLP, solicitors

Respondent Raymond Laurence Rowe

Scott Richards Solicitors Representative

Type of application Application to vary the Appointment of a :

manager

Judge Tildesley OBE Tribunal member(s)

Mr W H Gater FRICS

Mr E Shaylor

Havant Justice Centre :

Remote Hearing CVP

13 July 2021

Oral decision 13 July 2021 **Date of decision**

Written Reasons given on 5 August 2021

DECISION

Summary of Decision

- 1. In accordance with section 24(9) Landlord and Tenant Act 1987, Mr Ashley Bell of Whitton & Laing Estate and Block Management, 20 Queen Street, Exeter, Devon EX4 3SN ("the Manager") is appointed as manager of the Property known as Haccombe House, Haccombe, Newton Abbot, TQ12 4SJ, more specifically defined on the plan attached to the original management order.
- 2. The Order which was made final on 26 June 2019 and expired on 14 July 2021 shall continue in force until 12 midnight on 27 July 2022. Mr Bell shall take up his appointment on 28 July 2021. If any party or parties interested wish to apply for an extension of the Order they are encouraged to do so at least three months before the Order expires.
- 3. The Manager shall manage the Property in accordance with
 - a. the directions and schedule of functions and services attached to the Order made final on 26 June 2019 subject to amendments agreed with the Tribunal regarding fees and the level of the professional indemnity insurance.
 - b. save where modified by this Order, the respective obligations of the Landlord under the Lease whereby the Property is demised by the Landlord with particular regard to repair, decoration, provision of services and insurance of the Property; and
 - c. the duties of a manager set out in the Service Charge Residential Management Code ("the Code") (3rd Edition) or such other replacement code published by the Royal Institution of Chartered Surveyors and approved by the Secretary of State pursuant to section 87 Leasehold Reform Housing and Urban Development act 1993.
- 4. In accordance with section 20C Landlord and Tenant Act 1985, all the costs incurred by Mr Rowe in relation to this application 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 or any of the other leaseholders of the Property.
- 5. The Tribunal directs Mr Christie to handover the funds and accounts to Mr Bell by 28 July 2021.
- 6. Mr Christie is required within 28 days of the conclusion of the Management Order to prepare and submit final closing accounts to the Tribunal. Mr Christie shall also serve copies of the accounts on the Landlord and Tenants who may raise queries on them within 14 days. The Manager shall answer such queries within a further 14 days, and provide copies of his responses to the Tribunal.

- 7. The Tribunal directs Mr Bell to form a view on the fire safety works and whether they should proceed under the current arrangements and report to the Tribunal and leaseholders by no later than the 18 August 2021.
- 8. The Tribunal directs Mr Bell to advise as soon as possible on the level of professional indemnity cover he holds and to confirm that the duties of a Tribunal appointed manager are covered by the professional indemnity insurance.

The Application

- 9. The Applicants, Mr Paul Jeffries and Mrs Ann Jeffries are the leaseholders of Flats 17 and 18 respectively.
- 10. Haccombe House is a large Grade II* Listed l detached building and contains 27 flats let on long leaseholds except Flats 10 and 27 which are owned by the freeholder, Mr Raymond Lawrence Rowe, who has been the registered proprietor of the property under title number DN384750 since 2 July 1997.
- On 1 April 2019 the Tribunal decided to appoint a Mr Mark Christie as Manager of the Property pursuant to s.24A of the Landlord and Tenant Act 1987. The management order was made final on 26 June 2019 and took effect for a period of two years from 15 July 2019.
- 12. Up until around late-2015 Mr Rowe self-managed the Property. Between October 2015 and September 2018, the Property was managed on Mr Rowe's behalf by managing agents, Chamberlains, which were replaced by Whitton & Laing from September 2018.
- 13. On 1 April 2019 Mr Dyson solicitor for Mr Rowe formally conceded that the grounds for the making of a management order were met. The Tribunal made no findings of fact on the grounds but instead devoted its attention to the suitability of Mr Christie as manager.
- 14. The Tribunal established the objectives for the Order which were to collect service charges and arrears in a timely fashion, to agree a major works programme fully costed and to establish good relations with the freeholder and leaseholders.
- On 12 April 2021 the Applicants applied for an extension of the Order for a further period of three years and originally requested the re-appointment of Mr Christie. Due to ongoing health problems Mr Christie indicated that he was unable to carry on in the role. Mr Christie considered that the property required strong leadership from a manager which he was unable to give because of his medical issues. Mr Christie expressed his gratitude to the Tribunal and to the leaseholders who have supported him for the past two years.

16. The parties nominated Mr Ashley Bell, and Mr Darren Stocks as potential managers for the property.

The Hearing

- 17. At the hearing on 13 July 2021 Mr Richard Whitehouse of Counsel represented the Applicants, Mr and Mrs Jeffries. Their solicitor, Ms Emma Butcher of Clarks Legal was also in attendance. Mr Jonathan Ward of Counsel represented Mr Rowe who was present with Mrs Rowe at the hearing. Mr Chris Wills of Scott Richards, the instructing solicitor was also present.
- 18. The other persons in attendance at the hearing were Mr Gary Rendle and Ms Charlotte Roberts of Plymouth Block Management, Mr Bell and Mr Stocks, the proposed managers, and the following leaseholders: Ms Ruth Tovim, Flat 2; Mrs Claudia Glasgow, Flat 3, Mrs Julie Wenham Flat 13, and Mr David and Mrs Clare Salt, Flat 21. Ms Maria-Anne August of Flat 6 and Ms Sheila Byrne of Flat 25 were able to hear the proceedings but could not speak directly.
- 19. The Tribunal admitted in evidence the hearing bundle comprising 318 pages, the supplemental hearing bundle comprising 29 pages, and the statement of Teignbridge District Council dated 1 July 2021 regarding the improvement notice dated 19 March 2021 served on Mr Christie.
- 20. At the hearing the Tribunal heard evidence from Mr and Mrs Jeffries, Mr and Mrs Rowe, Ms Tovim, Mrs Glasgow, Mrs Wenham, Mr and Mrs Salt, Mr Rendle on behalf of Mr Christie who was unable to attend, Mr Bell and Mr Stocks.

The Issues

- 21. The Tribunal explained at the beginning of the hearing that it wished to hear evidence on whether it was just and convenient to extend the Order. Judge Tildesley emphasised that the jurisdiction to appoint a manager was one of last resort and designed to solve specific problems. Judge Tildesley pointed out that the aim of an Order is to return the management of the property to the landlord unless the landlord is missing or is unwilling to assume his responsibilities under the lease. Judge Tildesley stated that the Tribunal was not prepared to rubber stamp the agreement of the parties to extend the Order. Judge Tildesley gave the parties an opportunity to take instructions.
- The Applicants argued that if a manager was not appointed it would result in the recurrence of the events that led to the appointment in the first place. The Applicants believed that Mr Rowe would not be able to maintain the complexities of the building. Mrs Jeffries stated that the Tribunal had received 14 responses from the 23

leaseholders at the property (not including the Applicants and Mr and Mrs Rowe) to the Application. Of those 14, ten leaseholders supported the application to extend the Order with only one leaseholder opposed to the extension. The Applicants noted that Mr and Mrs Rowe had not objected to the Application and had proposed Mr Bell and Mr Stock as potential managers of the property.

- 23. Mr Whitehouse for the Applicant pointed out that the fire safety works were about to take place, and that it was important to have a manager in place to oversee these works. Mr Whitehouse also referred to the ongoing maintenance programme to deal with the disrepair that had occurred during the time that Mr Rowe managed the property. Mr Whitehouse submitted that the Order should be extended for three years and that Mr Bell should be appointed as manager.
- 24. Mr Ward for Mr and Mrs Rowe stated that the objectives for the Order set in 2019 had largely been met. According to Mr Ward, there was now in place a robust process for the collection of service charges and a plan for the repair and maintenance of the building for the next five to ten years. Although the majority of the leaseholders had reported on an unsatisfactory relationship with the Tribunal appointed manager, Mr Ward stated that the Order had brought the leaseholders together in their recognition that in order for the property to be maintained it required funding through the service charges.
- Mr Ward submitted that Mr Rowe was a credible witness who demonstrated his understanding of the problems facing the property and his commitment to its ongoing repair. Mr Ward argued that the fact that Mr Rowe required the services of a professional managing agent in order to fulfil his responsibilities as freeholder should not be interpreted as support for the appointment of manager. Mr Ward concluded that to continue the Order would be draconian, and that the management of the property should return to Mr Rowe on the understanding he would appoint a managing agent.

The Facts

The Objectives for the Management Order

26. At [14] the Tribunal set out the objectives for the Order. Mr Christie supplied a witness statement dated 28 May 2021. Mr Christie reported that the service charge demanded of £66,455.10 for the year ended 28 September 2020 had been collected; and that £23,569.69 remained outstanding for the service charge of £62,377.29 demanded for the year ended 28 September 2021. Mr Rendle explained that some leaseholders were paying the service

charge by instalments which accounted for a significant part of the sum outstanding for the year ended 28 September 2021.

- 27. Mr Christie had also collected a separate service charge for the major works. Mr Christie had demanded £106,693.74 for the fire prevention and safety remedials of which £12,750.01 remained outstanding; and £10,857.78 for essential electrical safety works of which £1,206.42 remained outstanding.
- 28. Mr Christie stated that he instructed Gates Consultants to carry out a survey of the property. According to Mr Christie, Gates Consultants undertook an assessment of the property and produced a costed maintenance plan for major works over the next five years. Mr Christie said he was given similar reports issued by Lambert Smith Hampton in July 2018, and by Croft Surveyors in April 2018.
- 29. From these documents Mr Christie identified the following priorities for the works:
 - Fire safety including fire stopping and fire alarm improvements.
 - Major works on the roof to repair and in parts replace the existing structure and surface.
 - Major works on the windows including replacement and repair.
 - Major works to the remaining external parts of the building where necessary.
- 30. At the hearing the Tribunal requested Mr Rendle to supply a copy of the costed major works programme which turned out to be the report of Lambert Smith Hampton prepared for Chamberlains Estate Agents in July 2018.
- 31. Mr Christie reported that the implementation of the fire safety works had been delayed. Mr Christie said that the delay was caused by a range of factors including the Pandemic, the bat population at the property, and the decision by Gates Consultants to close their offices during lockdown. Teignbridge District Council, however, took a different view and decided that there had been no material progress by Mr Christie for almost two years and imposed an Improvement Notice on 19 March 2021. The Notice required certain fire safety works to be carried out beginning no later than 19 April 2021 and to complete the works for the electrical hazard within one month and all other category 1 hazards within 2 months. The Notice also drew Mr Christie's attention to the fact that listing building consent may be required for the works to be carried out.
- 32. In a letter dated 9 July 2021 Mr Christie updated the Tribunal on the current position in respect of the fire safety works:

"We have already agreed the design for the communal lighting design and fire alarm design with input from the fire officer.

Gate's Surveyors have advised the following update regarding the outstanding works:

- 28th June 2021 Welfair container was delivered to site. Which would allow for safe disposal of fire doors etc and contractors W/C.
- 29th June 2021 The Listed Building Consent was submitted via the Planning Portal. Confirmation of Validation was received 6th July 2021 from Teignbridge District Council, with a Target Determination Date of 24th August 2021.
- 5th July 2021 Works were due to start on the new emergency lights system. Lighting designed already agreed.
- Boden to start on the fire alarm end of July.
- Fire doors We have agreed the locations with Council and Boden as to which doors need replacing. However, we must wait for Boden to confirm availability on delivery. We have been informed delivery can take up to 12-16 weeks.

Gate's surveyors have confirmed that the works can take up to 3 months to complete".

- 33. Mr Christie was tasked with establishing good relations with the freeholder and leaseholders. Initially Mr Christie enjoyed good relations with those leaseholders who were prepared to engage with him at his various visits and meetings. Mr Christie considered that the relationship deteriorated once the leaseholders realised their likely service charge contributions and the inability to contact leaseholders in person because of COVID 19 restrictions.
- 34. The leaseholders who responded to the Application expressed no support for Mr Christie. They did not find the experience positive and expressed their disappointment with the lack of progress with the fire safety works. The Applicants considered that the leaseholders had difficulty in dealing with Mr Christie's directness.

The Freeholder (Mr Rowe)

35. Mr Rowe supplied a witness statement dated 9 June 2021 in which he said that he did not object to an extension of the management order but he did not agree that it was in the best interests of himself as freeholder and of the leaseholders for Mr Christie to remain in post.

- In view of the Tribunal's indication that it wished to hear evidence about whether the Order should be extended, Mr Rowe changed his stance. Mr Rowe indicated that as freeholder he would take back the management of the property provided a competent managing agent was appointed to oversee the property. Mr Rowe considered that the demands of the property were too challenging for a single person exercising the role of a Tribunal appointed manager. Mr Rowe said that what was needed was a firm of managing agents which could offer a range of services. Mr Rowe stated that he would work with the leaseholders to find the most appropriate firm of managing agents for the property which would then take forward the major works programme. Mr Rowe wished to pursue with the leaseholders a joined up approach for the maintenance of the property.
- 37. Mr Rowe expressed his dismay at the lack of progress with the fire safety works. Mr Rowe stated that during Mr Christie's tenure a lack of maintenance to the roof, pot drains and guttering resulted in severe water ingress at the property which was coupled with a partial collapse of the sewage pipe causing raw sewage pouring outside Flats 3 and 27. Although it was not his responsibility, Mr Rowe decided to install a pump to stop the sewage from feeding back to the flats 1-4, 13 and 27.
- 38. Mr Rowe was critical of Mr Christie's unwillingness to take advice on various matters and to utilise the existing reports on the state of the building. Mr Rowe pointed out that Mrs Rowe had informed Mr Christie of the bat population outside the Tribunal hearing in 2019. Mr Rowe said that through his solicitors he had sought to engage in a constructive dialogue with the Applicants' solicitors about the appointment of an alternative manager but without success.
- 39. Mr Whitehouse challenged Mr Rowe on whether he had paid the service charges in respect of the flats owned by Mrs Rowe and himself. Mr Rowe insisted that he had paid the service charges for the two years in question. Mr Rowe indicated that in respect of the charges for the major works he was awaiting details of the bank account from Mr Christie in which the monies should be paid. The Tribunal notes that the Leasehold Advisory Service advised some leaseholders that the monies for the major works should be placed in separate account from those holding the "monthly" service charges.
- 40. Mrs Rowe supplied a witness statement in support of Mr Rowe's evidence. A Mr Brian James of JN Building Services also supplied a witness statement regarding the alarms and electrical systems at the property.

The Leaseholders

41. The Applicants' reply dated 30 June 2021 summarised the responses of the leaseholders to the Application:

"Of the 25 leaseholders/flats, not including the two flats belonging to the Applicants:

- 14 leaseholders (not including the Respondent freeholder and his wife, who are also leaseholders of two flats and are addressed separately below) have provided responses and 9 have not provided responses.
- One leaseholder (Flat 5) opposes any extension of the Order and wishes the management to revert back to the Respondent freeholder (although it should be noted that the Respondent freeholder did not initially seek this).
- 2 leaseholders (Flats 15 and 20) have opposed the application on the basis of dissatisfaction with Mr Christie's management, but have not proposed an alternative manager.
- One leaseholder (Flat 9) neither agrees with nor objects to the application, as their interest in their flat was sold on 18 June 2021.
- The Respondent freeholder (who is also, jointly with his wife, the leaseholder of Flats 10 and 27) does not oppose an extension of the Order but has proposed two prospective alternative managers, being Ashley Bell of Whitton & Laing or alternatively Darren Stocks of Crown Property Management.
- 10 leaseholders (being Flats 1, 2, 3, 4, 6, 8, 14, 16, 21 and 25) do not oppose an extension of the Order, but seek the appointment of Ashley Bell of Whitton & Laing as the manager.
- Three of these nine leaseholders (being Flats 1, 6 and 25) have also proposed Darren Stocks of Crown Property Management as their second choice appointment".
- 42. The Tribunal considers that the Applicant's summary overlooked the fact that the leaseholders were responding to the original application which requested the appointment of Mr Christie for a period of three years. All the leaseholders who responded objected to the application. Their focus was on the replacement of Mr Christie with another manager.
- 43. The option of the management of the property reverting to the freeholder with a managing agent was not actively aired in the original application. In this regard the Tribunal placed weight on the views of the leaseholders who attended and listened to the evidence at the hearing. Three leaseholders, Mrs Glasgow, Ms Byrne and Ms August favoured the freeholder having responsibility

provided he appointed a managing agent. Mrs Wenham and Mr and Mrs Salt preferred a manager appointed by the Tribunal provided the manager was not Mr Christie. Mrs Wenham believed that the presence of a Tribunal appointed manager had improved communications with and between leaseholders. Mr and Mrs Salt considered that such an appointment maintained the hierarchy of the manager having the final say in respect of the property. Ms Tovim explained that she now realised that the Tribunal did not direct the manager on how s/he discharges the responsibilities under the Order which placed her in a dilemma on the appropriate way forward. Ms Tovim commented that the experience of the last two years had resulted in greater engagement by the leaseholders in the management of the property and an enhanced awareness that service charges had to increase in order to fund the necessary works. Ms Tovim, however, emphasised that the leaseholders were not a cohesive group, holding different views which often depended on their location in the property.

The Proposed Managers

- 44. Mr Bell and Mr Stock each provided witness statements dealing with their experience of property management, and the proposed plans for the property.
- 45. Mr Bell had worked in property management since 2012 and commenced his employment with Whitton and Laing as Estate and Block Manager in 2019. Mr Bell stated that he had no formal qualifications from RICS or IPRM. Mr Bell, however, confirmed that Whitton and Laing were regulated by RICS.
- Mr Bell managed a portfolio of developments primarily in South 46. Devon and was based in Newton Abbot. The portfolio included several listed properties. Mr Bell specifically referred to Devon House in Bovey Tracey which he said was similar to the subject property. Mr Bell said that he was assigned as Property Manager for Haccombe House in February 2019 just before the previous Tribunal hearing in April 2019. This enabled Mr Bell to gain knowledge of the building and start to build relationships with the leaseholders. Mr Bell has since this application was made met with the leaseholders to discuss his plans for the property. Mr Bell explained that he did not put himself forward as manager at the previous hearing because Whitton & Laing had just been appointed as managing agent by Mr Rowe. In those circumstances Mr Bell felt that Mr and Mrs Jeffries would question his independence if he had then assumed the role of a Tribunal appointed manager.
- 47. Mr Bell supported his candidacy with a management plan for the property. Mr Bell stated that his priority would be examining the specification for the fire safety works, ensuring that the works were in line with the Improvement Notice, and undertaking the works if the specification was fit for purpose and funds were in place. Mr

Bell said that he would agree to the transfer of the Improvement Notice in his name.

- 48. Mr Bell had not been previously appointed by the Tribunal as a manager. The Tribunal, however, was satisfied that Mr Bell understood the duties and responsibilities of the role. Mr Bell also confirmed that he would comply with the current edition of the RICS Code of Practice.
- 49. Mr Bell's proposed fee was fixed at £5,670 inclusive of VAT per annum. The proposed fee agreement referred to additional charges but Mr Bell indicated that these would be triggered only in exceptional circumstances.
- 50. Mr Bell confirmed that he would be able to work with Mr Rowe, if the Tribunal decided not to appoint a manager.
- Mr Stocks was the owner and proprietor of Crown Property Management which was based in Torquay and specialised in all aspects of Estate Management. Mr Stocks had been managing property since 1994 and had passed IRPM (Institute of Residential Property Management) Grades I and II examinations.
- 52. Crown Property Management held a wide-ranging property portfolio from blocks of four to blocks of 120 throughout the South West. Mr Stocks had experience of managing Grade 11 listed buildings and working with English Heritage. Mr Stocks had dealt with Improvement Notices on behalf of clients. Mr Stock had been Associate Member of RICS for seven years.
- 53. Mr Stocks has not been a Tribunal appointed manager. The Tribunal is satisfied that Mr Stocks understood the duties and responsibilities of a manager, and that he would comply with the RICS Code.
- Mr Stocks considered the challenge posed by the property was as much about personnel management as estate management. Mr Stocks would prioritise the current section 20 works and arrange meetings with the surveyors, the Council and the leaseholders. Mr Stocks confirmed that there were no surveyors employed at Crown Property Management. Mr Stocks said he would engage a firm of building surveyors.
- Mr Stocks stated that his fee would be a basic fee of £270 per annum per flat or £7,290 per annum. It would appear that the basic fee did not include VAT. Mr Stocks said there would be additional charges on the outgoing lessee for dealing with solicitors' enquiries and a charge of £375 for serving a section 20 notice if applicable. Mr Stocks also mentioned an annual fee of £600 plus VAT for company secretarial duties which would not be part of the duties of a Tribunal appointed manager

Mr Stocks confirmed that he would be able to work with Mr Rowe, if the Tribunal decided not to appoint a manager.

Reasons

- Under section 24(9) of the 1987 Act the Tribunal may on the application of any person interested vary or discharge an Order appointing a manager. There is no statutory restriction on the Tribunal's power to vary or discharge an order unless it is made by a relevant person, namely, the landlord, when the Tribunal has to be satisfied that the variation or discharge sought would not lead to a recurrence of the events that gave rise to the Order. The test to be applied when exercising its discretion under section 24(9) is whether it is just and convenient to vary or discharge the Order.
- 58. The case concerned an application to extend the Order which was made final on 26 June 2019, and expired on 14 July 2021 for a period of three years, and to replace the manager, Mr Christie with either Mr Bell or Mr Stocks.
- The Tribunal's power to appoint a manager followed on from the recommendations of *The Committee of Inquiry on the Management of Privately Owned Blocks of Flats* chaired by Lord Nugee dated 20 March 1987. At paragraph 7.2.16 the Committee recommended

"We consider that the appointment of a receiver and manager should be viewed as a last resort to be used in cases of substantial and persistent bad management where other efforts to obtain compliance by the landlord with his obligations have failed. It should not be seen as a solution for individual day management problems".

- 60. The Tribunal would add that the appointment of a manager is a problem solving jurisdiction and that it should not be viewed as a permanent solution. The Tribunal considers that the role of the manager is to establish a management regime for the property to enable it to be handed back in appropriate cases to the landlord.
- 61. The Tribunal had these considerations in mind when it required the parties to give evidence in respect of the application to extend the management order. The Tribunal was conscious that at the hearing in 2019 it had proceeded on the basis that the conditions for a management order had been agreed by the parties and had not heard evidence.
- 62. The Tribunal heard from Mr Rowe for the first time on 13 July 2021. The Tribunal was impressed with his knowledge and commitment to the property. The Tribunal noted that he had taken it upon himself to set up pumps to clear away the raw sewage even though this was the responsibility of the manager. The Tribunal is

satisfied that Mr Rowe was not a landlord who was avoiding his responsibilities under the leases to maintain the property.

- 63. The Tribunal formed the view that Mr Rowe had agreed to the appointment of Mr Christie because he wanted the property to be professionally managed. Mr Rowe had accepted at the time that he could not manage the property himself. Mr Rowe, however, now believed that with the right managing agent, the management of the property could be returned to him. Mr Rowe aspired to work with the leaseholders and promote a joined up approach to the maintenance of the building.
- 64. The Tribunal acknowledges from the leaseholders' perspective that the management order was not a positive experience. The Tribunal is also concerned that the manager was issued with an Improvement Notice and that it was the leaseholders who had informed the Tribunal of the existence of the notice. Despite these concerns, the Tribunal considers that the management order had met its objectives in respect of establishing robust procedures for the collection of service charges and highlighting the priorities for major works. The Tribunal also finds that the management order raised awareness amongst leaseholders of the role they play in the management of the property and of the higher service charges required to properly maintain the property.
- The Tribunal, however, decides that this is not the right moment for Mr Rowe to resume management of the property. The Tribunal finds that a professional manager independent of the parties is necessary to handle he current issues of the Improvement Notice and the uncertainties surrounding the contract for the fire safety works. These problems are urgent and require decisions by a manager unencumbered by the need to consult with his client. The Tribunal finds that once these problems have been resolved and a period of stability has been restored with leaseholders the path should be clear for Mr Rowe with the services of a suitable managing agent to take back the management of the property. The Tribunal determines that an extension of one year from the 28 July 2021 to the Order should be sufficient for this purpose.
- 66. The Tribunal weighed up the respective merits of Mr Bell and Mr Stocks as Tribunal appointed managers. The Tribunal finds that they are seasoned property managers who have experience of listed properties, and clear plans for dealing with the priority issues for the property. The Tribunal is satisfied that they both understood the role and responsibilities of a Tribunal appointed manager. The Tribunal, however, considers that Mr Bell had the edge over Mr Stocks in terms of his knowledge and prior experience of the property, and that the majority of leaseholders had supported his appointment. The Tribunal, therefore, decides that Mr Bell is a suitable person to be appointed as manager.

- 67. The Tribunal announced its decision at the end of the hearing and extended the Order for 12 months from 28 July 2021. The Tribunal directed Mr Christie to provide closing accounts to Mr Bell and to the leaseholders by 28 July 2021. The Tribunal directed Mr Bell to form a view on the fire safety works and whether they should proceed under the current arrangements and report to the Tribunal and leaseholders by no later than the 18 August 2021.
- 68. Mr Ward for Mr Rowe applied for a costs order against the Applicants. The Tribunal is not satisfied that the Applicants met the high threshold of unreasonable conduct to justify an order for costs under rule 13(1)(b) of the Tribunal Procedure Rules 2013. The Tribunal notes that Mr Rowe initially agreed to an extension of the Order but wished to have a different manager appointed. Accordingly the Tribunal will not make such an Order.
- 69. Mr Ward also requested that no order should be made under section 20C of the 1985 Act preventing Mr Rowe from recovering his legal costs through the service charge. The Tribunal is of the view that Mr Rowe is not entitled to recover his legal costs through the service charge incurred when an Order under section 24 of the 1987 Act is in force. In those circumstances Mr Rowe does not meet the definition of landlord under section 30 of the 1985 Act because he is not the person entitled to enforce the service charge. Mr Ward suggested that section 30 had a wider construction and could include landlords even though they had no rights of management. Mr Ward postulated that Mr Rowe could request the manager to include his legal costs in the service charge demanded by the manger. The Tribunal considers that such a request by Mr Rowe would be contrary to the terms of the management order. The Tribunal decides that there is no substance to Mr Ward's argument. However, if the Tribunal is wrong, the Tribunal finds in the alternative that it is just and equitable to make an Order under section 20C preventing Mr Rowe from recovering his legal costs through the service charge. The reasons why it is just and equitable are that the all parties should bear their own legal costs and the management order was extended albeit by one year.
- 70. The parties indicated that they were not seeking permission to Appeal.

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).