

8498.

LEASEHOLD VALUATION TRIBUNAL

MANAGEMENT ORDER DATED 14th November 2012

Re: 57 Ventnor Villas, Hove, East Sussex BN3 3DB

Case Number CHI/00ML/LAM/2012/0008

BETWEEN:

Robin Raggio (Flat 1)

Football 1x2 Limited (Flat 2)

Susan Storry (Flat 3)

Applicant

Lisgo-Charlton Limited

Respondent

1. In this order:

- A. "The property" includes all those parts of the property known as 57 Ventnor Villas, Hove, East Sussex BN3 3DB and registered at HM Land Registry under title number ESX67632
- B. "The landlord" means Lisgo-Charlton Limited (company registration no. 2978956) or in the event of the vesting of the reversion of the

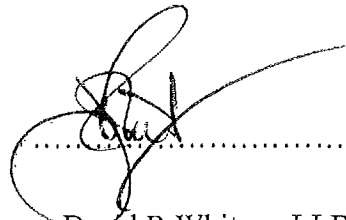
residential under-leases of the property in another, the landlord's successors in title.

- C. "The manager" means Gareth Elliott of Pepperfox Limited, 100-102 Church Road, Hove, East Sussex.

It is hereby ordered as follows:

2. In accordance with s.24(1) of the Landlord and Tenant Act 1987 the manager shall be appointed as receiver and manager of the property
3. The order shall continue for a period of 3 years from the date of this order.
4. That the manager shall manage the property in accordance with:
 - (a) The Directions and Schedule of Functions and Services attached to this order.
 - (b) The respective obligations of the landlord and the leases and/or under-lessees by which the flats at the property are demised by the landlord and in particular with regard to repair, decoration, provision of services to and insurance of the property.
 - (c) The duties of manager set out in the Service Charge Residential Management Code (2009) ("The Code") or such other replacement Code published by the Royal Institution of Chartered Surveyors and approved by the Secretary of State pursuant to section 87 of the Leasehold Reform Housing and Urban Development Act 1993.

5. An order is made under s.20C of the Landlord and Tenant Act 1985 that the respondent's costs before the Tribunal shall not be added to the service charges.



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David R Whitney LLB (Hons)

Lawyer Chair

[14th November] 2012

DIRECTIONS AND SCHEDULE OF FUNCTIONS AND SERVICES

1. That from the date of appointment and throughout the appointment the manager shall ensure that he has appropriate professional indemnity cover in the sum of at least £1,000,000 and shall provide copies of the current cover note upon a request being made by any lessee or under-lessee of the property, the landlord or the Tribunal.
2. That not later than 14 days after the date of this order the parties to this application shall provide all necessary information to and arrange with the manager an orderly transfer of responsibilities. No later than this date, the landlord shall transfer to the manager all the accounts, books, records and funds (including without limitation, service charge reserve fund).
3. The rights and liabilities of the landlord arising under any contracts of insurance, and/or any contract for the provision of any services to the property shall upon the date 14 days from the date of this order become rights and liabilities of the manager.
4. That the manager shall account forthwith to the landlord for the payment of ground rent received by him and shall apply the remaining amounts received by him (other than those representing his fees) in the performance of the landlord's covenants contained in the said leases provided always that should any of the flats owned by the landlord be in arrears of service charge then the

manager shall be entitled to deduct any rent received and apply the same towards the said arrears as he shall see fit.

5. That he shall be entitled to remuneration (which for the avoidance of doubt shall be recoverable as part of the service charges of the under-leases and/or leases of the property) in accordance with the Schedule of Functions and Services attached.

6. That the manager shall be entitled to apply to the Tribunal for further directions in accordance with section 24(4) of the Landlord and Tenant Act 1987, with particular regard (but not limited to) the following events:
 - (a) any failure by any party to comply with paragraph 2 of these directions and/or;
 - (b) in the event that there are insufficient sums held by him to pay the manager's remuneration.

SCHEDULE OF FUNCTIONS AND SERVICES

A. SERVICE CHARGE

- 1.1 Prepare an annual service charge budget, administer the service charge and prepare and distribute appropriate service charge accounts to the under-lessees as per the percentage share of under the terms of their under-lease.
- 1.2 Demand and collect rents, service charges, insurance premiums and any other payments due from the under-lessees. Instruct solicitors to recover unpaid rents and service charges and any other monies due to the landlord upon the landlord's instructions.
- 1.3 Place, supervise and administer contracts and check demands for payment for goods, services and equipment supplied for the benefit of the property within the service charge budget.

B. ACCOUNTS

- 2.1 Prepare and submit to the landlord an annual statement of account detailing all monies received and expended on its behalf.
- 2.2 Produce for inspection upon reasonable written notice, receipts or other evidence of expenditure.
- 2.3 All monies collected on the landlord's behalf will be accounted for in accordance with the Accounts Regulations as issued by the Royal Institution for Chartered Surveyors, subject to the manager receiving interest on the monies whilst they are in his client account. Any reserve fund monies to be held in a separate client account with interest accruing to the landlord provided always that should any of the flats owned by the landlord be in arrears of service charge the manager shall be entitled to deduct any interest received and apply the same towards the said arrears as he shall see fit..

C. MAINTENANCE

- 3.1 Deal with routine repair and maintenance issues and instruct contractors to attend and rectify problems. Deal with all building maintenance relating to the services and structure of the building.

3.2 The consideration of works to be carried out to the property in the interest of good estate management and making the appropriate recommendations to the landlord and the under-lessees.

3.3 The setting up of a planned maintenance programme to allow for the periodic re-decorations of the exterior and interior common parts.

D. FEES

4.1 Fees for the above mentioned management services would be a basic fee of £175 per annum per unit for the flats within the property. Those services to include the services set out in paragraph 2.4 of the Service Charge Residential Management Code (2009) published by the RICS. Any work carried out over and above those services to be charged at a rate of £85 per hour.

4.2 Major works carried out to the property (where it is necessary to prepare a specification of works, obtain competitive tenders, serve relevant notices on lessees informing them of the works and supervising the works) will be subject to a reasonable charge having regards to the scope, nature and cost of the works not exceeding 10% of the cost (subject to a minimum fee of £250.00). This in respect of the professional fees of an architect, surveyor, or other appropriate person in the administration of a contract for such works.

4.3 An additional charge for dealing with solicitors enquires on transfer will be made of £175+VAT payable by the outgoing leaseholder.

4.4 VAT to be payable on all the fees quoted above, where appropriate, at the rate prevailing on the date of invoicing.

4.5 If the manager shall so choose, and if it shall be expedient to do so in his reasonable opinion, he shall be entitled to instruct as his agent Pepperfox Limited to manage the building on his behalf on terms identical to this appointment provided that in so doing the manager hereby undertakes to the Tribunal to first procure the written agreement of a director of that company to be bound by the terms of this order as if they were the manager duly appointed, and further not to instruct them otherwise than on their standard terms of business produced in proceedings and a copy of which is attached hereto. Further the manager shall remain responsible under this Order notwithstanding his appointing such an agent.

E. RIGHT TO PROSECUTE CLAIMS

5.1 The manager shall be entitled to bring proceedings in any court or tribunal in respect of any causes of action (whether contractual or tortious) accruing before or after the date of this appointment.

5.2 Such entitlement shall include, but shall not be limited to, bringing proceedings in respect of any arrears of service charge and/or ground rent attributable to any of the flats in the building and for which purpose 'proceedings' shall include any application made under Part 7 or Part 8 of the Civil Procedure Rules 1998

for judgment in the County Court or High Court or any application made to the Leasehold Valuation Tribunal under s.27A Landlord & Tenant Act 1985 or s.168(4) Commonhold & Leasehold Reform Act 2002 and shall further include any appeal made against any decision made in any such proceedings. The manager shall be entitled, if so advised, to bring proceedings against the Respondent and Mr Mark Packwood for delivery up of any documents, accounts or monies which they may hold or have acquired as a result of their management of the building. The manager may, if so advised, make application for a variation of the lease terms pursuant to section 35 of the Landlord and Tenant Act 1987.

- 5.3 The manager shall be entitled to be reimbursed from the service charge account any costs, disbursements or VAT payable to any solicitors, accountant, counsel or expert on a full indemnity basis reasonably incurred by him in exercising his functions under this clause 5.

F. COMPLAINTS PROCEDURE

- 6.1 The manager shall operate a complaints procedure in accordance with the requirements of the Royal Institution of Chartered Surveyors. The manager shall upon request by any lessee, the landlord or the Tribunal provide a copy of the same.