



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

**Case Reference** : **CAM/00KB/LAM/2019/0006**

**HMCTS Code** : **V:CVP Remote**

**Property** : **Wright House, 20 Milton Road, Clapham,  
Bedford MK41 6AX**

**Applicant** : **Mr M J Roper, Mr D L Farrar, Mr J & Mrs V  
Figg, Ms M Gallagher & Mr C Pearson**

**Representative** : **Mr L Gibson, Solicitor Agent with Mr Matthew  
Haines, General Manager of the Shire Estate  
Management Limited (proposed Manager), Mr  
Adam Bishop or St Cuthberts Properties  
Limited (previous Manager), Mr Martin Roper,  
Mr Darren Farrar**

**Respondent** : **Nash Court (Bedford) Management Company  
Limited**

**Representative** : **Mr Woolf, Counsel and Mr Kashmir Sohpaal,  
Director of Nash Court and Mr Slatiel Kit Ram  
of Kit Ram Residential**

**Type of Application** : **Application for the appointment of a Manager  
pursuant to section 24 of the Landlord and  
Tenant Act 1987**

**Tribunal Members** : **Tribunal Judge Dutton**

**Date of Hearing** : **16<sup>th</sup> September 2020**

**Date of Decision** : **5<sup>th</sup> October 2020**

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**DECISION**

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## **COVID-19 PANDEMIC: DESCRIPTION OF HEARING**

This has been a remote video hearing which has been consented to by the parties. The form of remote hearing was by CVP video. A face to face hearing was not held because it was not considered practicable and all issues could be determined in a remote hearing. The documents that I was referred to are in a bundle of some 370 pages, the contents of which I have noted. The order made is described at the end of these reasons.

## **DECISION**

1. In accordance with section 24(1) of the Landlord and Tenant Act 1987 (the Act) Mr Matthew Haines of the Shires Estate Management Limited is appointed as Manager of the Property at the Wright House, 20 Milton Road, Clapham, Bedford MK41 6AX (the Property).
2. The order shall continue for a period of two years from 1<sup>st</sup> November 2020. Any application for an extension must be made prior to the expiry of that period. If such an application is made in time, then the appointment will continue until that application has been finally determined.
3. The Manager shall manage the Property in accordance with:
  - (a) The directions and schedule of functions and service is attached to this order.
  - (b) The respective obligations of the landlord and the leases by which the flats at the Property are demised by the Respondent and in particular with 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) or such other replacement codes published by the Royal Institute of Chartered Surveyors and approved by the Secretary of State pursuant to section 87 of the Leasehold Reform, Housing and Urban Development Act 1993 for the Manager shall register the order against the landlord's registered title as a restriction under the Land Registration Act 2002 or any subsequent Act.
  - (d) An order shall be made under section 20C of the Landlord and Tenant Act 1985 that the Respondent's costs before the Tribunal shall not be added as a service charge.

## **BACKGROUND**

4. By an application dated 12<sup>th</sup> August 2019, the named Applicants applied to the Tribunal for an order that St Cuthberts Properties Limited should be appointed Tribunal Manager of the Property. A copy of the Notice served under section 22 of the Landlord and Tenant Act 1987 (the Act) was included and at the commencement of the hearing on 16<sup>th</sup> September 2020 Mr Woolf kindly confirmed that there were no issues with regard to the form of that Notice.
5. Prior to the hearing on 16<sup>th</sup> September 2020 there had been a hearing in January of 2020. At that hearing the parties had reached a form of compromise which resulted in a consent order being made. That consent order included a requirement for Mr Sohpaal to use his best endeavours to facilitate the provision of all necessary information, including accounting information and to agree not to

seek to recover the costs of the application for a period of six months. On that basis the application was then stayed, that St Cuthberts Properties Limited were appointed as managing agents and that no section 20C application was dealt with, that also being stayed.

6. Unfortunately, the appointment of Mr Bishop from St Cuthberts Properties Management did not last for six months. There were issues concerning the alleged involvement of Mr Sohpaal and these were set out in a witness statement that Mr Bishop had prepared for the hearing on 16<sup>th</sup> September. I will come back to that in due course, as necessary. Accordingly, this matter came before me on 16<sup>th</sup> September, the stay having been lifted and further directions having been issued. Those directions had been complied with and the solicitors for the Respondents had helpfully prepared a bundle of documents including the original papers and additional papers on behalf of the Applicant and the Respondent for this September hearing. The bundle ran to some 370 pages and I have noted the contents of same insofar as they are relevant to the matters that I need to decide.
7. The bundle included the original application and amplification of the issues at that time. Witness statements from those persons named as Applicants were also included, as was the witness statement from Mr Sohpaal with various exhibits. I was provided with a copy of the lease to Flat 5 and Flat 9 and information relating to Kit Ram Residential Management charges and receipts.
8. In the Applicant's video hearing bundle there were updated statements of support and a statement from Mr Farrar one of the Applicants, from Mr Bishop from St Cuthberts and Shire Estate Management Limited's management plan and agreement, they being the company that the Applicant's now wished to appoint.
9. For the Respondent, there was a second witness statement of Mr Sohpaal with exhibits and a statement from Mr Ram. There was also a short statement from Miss Geddes and a management agreement with Solutions for Property Limited who are the present managers of the Property. The Applicants had filed a response.
10. It is not necessary for me to go into great detail of the various pieces of written evidence produced in this case as they are common to both parties. I will deal with such elements of the written evidence as is necessary during the course of this decision.
11. The hearing was conducted by video and I am grateful to those who participated for their assistance in this regard.

### **HEARING**

12. At the commencement of the Hearing, Mr Gibson began to go through the contents of the section 22 notice but Mr Woolf helpfully confirmed that there were no particular issues in that regard. The grounds Mr Gibson told me, were essentially a breach of duty under the lease and under the RICS code and such other circumstances which lead to a lack of trust between the parties. For the Respondent it appears that Mr Sohpaal accepts that a manager does need to be appointed but he was unhappy about Mr Bishop and also Shires' reappointment they having been managing agents of the Property until 2017. Mr Sohpaal asked

that Solutions for Property Limited, currently managing the company should be appointed as a Tribunal Manager if I felt that that was a necessary step.

13. Mr Gibson firstly called Mr Roper to give evidence. Mr Roper confirmed that he had no alterations to make to the witness statements that he had produced.
14. He complained that there had been no contact from Mr Sohpaal on behalf of the Respondent Company and that any works that had been undertaken to the Property by the present managing agents were superficial. There had been some gardening but no more than he said the Residents undertook. He was asked by Mr Woolf whether the updated statement from the Applicants was his own words and Mr Roper confirmed that these were set down in consultation with the fellow applications and followed the directions of the Tribunal, which he considered did not require a statement of truth. He confirmed that he did not live at the Property but did visit it regularly. He apparently lived in Harpenden. He conceded that the carpets had been replaced after his first statement but that there was rubbish dumped by Mr Sohpaal's tenants and had been in situ for some time, in particular he pointed to a pane of glass and a metal frame which it was suggested could be a danger to young children. When asked why the residents had not themselves removed this the response appeared to be that it was considered this was the responsibility of the managing agents and not for the residents to undertake.
15. Mr Roper confirmed that problems had continued since the consent order appointing Mr Bishop on the basis that that had not lasted long and that another company had been appointed without any reference to the Tribunal or indeed to the leaseholders.
16. It is worth noting at this point that the Property comprises two blocks containing six and four flats. In the block containing four flats they are all owned by Mr Sohpaal who rents them out. In the other block with the six flats one is owned by Mr Sohpaal and is rented out and the others are owned by the Applicants. It is this split of ownership which has caused difficulties and led to allegations that Mr Sohpaal had been considering his own position above those of the other leaseholders. These matters are set out in more detail in Mr Roper's first statement and the combined statement produced for the hearing.
17. I then heard from Mr Farrar who had joined in the original Applicant statement where various complaints were made concerning the state of the Property and had also made his own witness statement in June of this year, which did contain a separate statement of truth. He complained that there was no clear management since St Cuthberts had resigned and that there was an apparent lack of confirmation by Mr Sohpaal as to whom the managing agent was who dealt with his private lettings. It did appear that Mr Farrar accepted that Kit Ram of Kit Ram Residential did fulfil that role. There are allegations made of attendances by the Police, smoking and failure by Mr Sohpaal's tenants to use designated parking spaces. He was also concerned that there appeared to be no sinking fund and he felt that the Property had been "pushed into a deteriorated state" and that Mr Sohpaal's tenants had little care for the building. On questioning from Mr Gibson to clarify a couple of points he did accept that there had been some superficial works undertaken and some cleaning.

18. Mr Woolf asked certain questions of Mr Farrar. He said that there had been problems with occupiers and he had asked Mr Sohpaal to deal with those. At one stage Mr Sohpaal was the building manager and took over after Shires had been dismissed. Asked about the problems about smoking, he confirmed that it had been an ongoing problem but had now stopped because those tenants had left the flat. He was asked whether he had notified the present managing agents Solutions for Property (Residential) Limited about these issues concerning the glass and the metal frame, but he said not. He did, however, say that he had lived at the Property for some five to six years and that he had been constantly removing rubbish which he did not consider was his responsibility. Asked about the attendances of Solutions for Property, he said that they had cleaned the glass externally and had cut the grass and bushes on a couple of occasions as well as cleaned the communal areas on a couple of occasions since June of this year. He confirmed that he had not paid service charges that had been demanded of him as he was not certain who the Property's managing agents should be. My attention was drawn to an invoice headed Solutions for Property Block Management which required payment to be made to Solutions for Property (Residential) Limited. Another invoice produced to the Respondent Company showed Solutions for Property Block Management as the company but gave the title of the company issuing the invoice as Solutions for Property (Residential) Limited and then indicated that the bank account to which the payment should be made was Solutions for Property. Things were not clarified by the production of what appeared to be the management agreement entered into by the Respondent and either Solutions for Property Block Management, Solutions for Property Limited or Solutions for Property (Residential) Limited. I will come back to this point when we deal with the evidence of Mr Sohpaal.
19. Mr Farrar did confirm that he had paid the demand raised by St Cuthberts. He had also taken a number of photographs which were noted.
20. I then heard from Mr Bishop who had been the manager agreed upon following the hearing in January. He had written to the Tribunal indicating his reasons for discontinuing with the management of the Property. The letter is available for both sides. In outline, however, he says that it was the negativity of Mr Sohpaal which caused him to resign. He told me in his statement that he had visited the site and met with the leaseholders to initiate a maintenance programme but that Mr Sohpaal would not confirm specific works to be undertaken and would not allow the minutes to be circulated unless they were in his personal interests for the Property. He then listed the key events which he believed justified his resignation.
21. In cross examination it was put to him that there had been a dispute as to the extent of his responsibilities and that the breakdown between himself and Mr Sohpaal had arisen as a result of an initial letter sent following the agreement that he should act in January of 2020. This included an indication that he would issue share certificates and would arrange and attend annual general meetings. In addition, there had been discussions about him becoming the Company Secretary to enable access to the company funds. In addition, Mr Bishop had asked to get information from the previous managing agents but when he got this Mr Sohpaal said he was not to have sight of it and that they were not to be disclosed to the others.
22. Within the bundle was a letter from DLS Law, solicitors for Nash Court which set out in detail the history of the company and the instructions that he was to abide

by. He was reminded that in the views of the solicitors his obligations, that is to say Mr Bishop's, were to the company and not to the Tribunal or the company shareholders or any other party. It was made clear to him that he should report to the company and its director who then, they say, has obligations to report to the company's shareholders, which obligations are a matter for the director, Mr Sohpaal, and outside the scope of his instructions. The letter went to set out matters that needed attention with next steps to be undertaken. Mr Bishop was of the view that the relationship with Mr Sohpaal had resulted in him being unable to comply with the management of the Property as he would wish.

23. That concluded the evidence for the Applicants and Mr Woolf then turned to Mr Sohpaal to give evidence on behalf of the Respondent Company.
24. Mr Sohpaal had made two witness statements, one in the early days and a follow-up in respect of this later hearing. It was I think accepted that since the first statement matters had moved on. After St Cuthberts' resignation Mr Sohpaal appointed Solutions for Property and a number of photographs were produced to indicate that there had been certain improvements to the block, for example the installation of stair carpet and clearing up of the common parts and the garden area. There had also been works to fix some metal work.
25. Under cross examination he was asked by Mr Gibson about certain works that he proposed to undertake including the installation of CCTV. It was put to him that this was not within the terms of the lease although I did raise with Mr Gibson whether that was in fact correct by reference to the 5<sup>th</sup> schedule of the lease at paragraph 14 which appeared to allow repairs and improvements to be undertaken insofar as the company should consider them necessary. On the CCTV point, Mr Sohpaal indicated that he thought it would be right to install this system as it would give evidence as to fly-tipping. He did indicate that he would be discussing the matter with the residents but that he would seek to recover the costs through the service charge provisions of the leases. I heard all that was said. Asked about the appointment of Mr Bishop from St Cuthberts, he was of the view that they should be non-partisan but he considered that they were biased against the company. He did accept, however, that some service charges had been collected and that workmen had been sent in to undertake some works. This appeared to relate to the reparation to the railings. He confirmed that the flats owned by him were let out.
26. Asked about the service charge accounts, he said those needed to be audited by a qualified accountant but that they had not yet been done, it seems since 2017. It appears that the company accounts had been completed. In his witness statement he accepts that the service charge accounts are not readily available but that was because the relevant information was spread across various agents who had been instructed to manage the Property, for example Shires and St Cuthberts and now Solutions for Property and they are in the process he said of obtaining historic records but it appeared that those earlier managing agents were not willing to assist.
27. He considered that Solutions for Property were doing a good job and were working at arm's length. He did accept, however, that there had been a breakdown between the parties. Asked about the identity of the present managing agents, he could not

say whether Solutions for Property had been dissolved. As far as he was concerned they came to him with the correct information. It was pointed out to him that there appeared to be three names on the various documents that he had produced, but he was not able to throw any light on who he considered he had actually entered into a contract with.

28. I then heard from Mr Ram who had prepared a witness statement which stood as his evidence in chief and the contents of which I have noted. Asked by Mr Gibson he confirmed that he was Mr Sohpaal's letting managing agent and had been since April of this year. It appears that some time before then had also managed Mr Sohpaal's lettings. It appears also that for a short period of time that he had been the manager of the Property but had not in that period been able to obtain the historic service charge accounts from previous agents. He told me that bills that he received were sent to Mr Sohpaal and not to other leaseholders and that he had not made formal demands for monies spent which he considered was the period 1<sup>st</sup> August 2019 to January of 2020. He felt that he was fighting a losing battle with the Applicants as they did not wish to become involved.
29. After the factual evidence I then heard from Mr Haines who is the General Manager of the Shires Estate Management Limited. He told me that he had been working in block management since 2011 and was an affiliate with IRPM but were not members of ARLA or the RICS although they did adhere to the code. He confirmed his offices were in Kempston and that he managed some 3,000 flats within 43 blocks, 107 flats being the largest block, but there were also some houses. He had not managed a property as a Tribunal appointee.
30. He confirmed his remuneration would be £100 per flat per year and he considered that initially an appointment for 12 months may be acceptable, although in the course of the hearing he did accept that he would be willing to undertake an appointment for longer than that. He was prepared to accept the appointment.
31. He had four members of staff, three of whom were estate managers. He has also a panel of contractors that he can turn to although these are reviewed annually and their costings put out to tender. He utilised two brokers who researched the market on insurance and confirmed that he earned no commission.
32. When asked how often he would visit the Property he told me this would be on a monthly basis and that they did provide an out-of-hours service with an emergency number. They were also registered with the fire authority. Asked how he would recover unpaid service charges, he said that there would be a reminder letter followed by a second reminder and then enforcement steps taken. The only charge made in respect of these three steps would be for the second reminder letter. He confirmed that they had up-to-date IT with portals where residents could log in and see their account details.
33. Asked about the termination of the previous engagement, he confirmed that they had been asked not to share financial information but that this had been provided to Mr Sohpaal in June of 2017 when all the documents were collected by a Mrs Core. He confirmed that he had full sets of accounts and invoices up the time of their termination which had been prepared by accountants.

34. On questioning from Mr Woolf, he confirmed that until 2011 he had been a carpenter/joiner and had set up his own building company and was working with a number of letting agents. At that time, he met with a letting agent and they set up Shire Management. The person who he went into business with had a great deal of knowledge in respect of managing matters and Mr Haines was very knowledgeable on the building side of things. Apparently, the person who he had gone into business with had retired some three months ago.
35. At the conclusion of the evidence I received short submissions from Mr Gibson and Mr Woolf. Mr Gibson was of the view that there was a toxic atmosphere in respect of the management of the block, that an order should be made, no service charges had been rendered and that the management of the Property had been frustrated by Mr Sohpaal. Further that Mr Sohpaal appeared to have contracted with an unknown legal entity and that works that had been were superficial only. Although Mr Parry from Solutions was present he was not called to give evidence to confirm the position. Mr Gibson was of the view, therefore, that this left Mr Sohpaal in a somewhat difficult position acting for the Respondent Company as he could not be certain who he had contracted with. There was in Mr Gibson's view, no active management and a Tribunal appointee would bring stability and also enable the accounts to be resolved. It was just, therefore, for an order to be made.
36. Mr Woolf agreed that the atmosphere at the Property was unmanageable but that there is background to the company and management of the development and that this application did not satisfy the requirements for an appointment of a manager to be made. It was his submission that only an appointment in exceptional circumstances should be made and that this was not the case. He reminded me that the witnesses had recognised that there had been works undertaken, albeit they had suggested they were superficial. Nonetheless, it appears that windows had been cleaned and the Property had been visited. It was suggested that it might be possible to adjourn the matter for a further 12 months. It was in his view not just and convenient to make an order and that I should give Solutions the chance to avoid the need for a Tribunal appointment. Mr Woolf had no particular concerns about Mr Haines but nonetheless it still begged the question as to whether he should be appointed or whether it should be left with Solutions who themselves could be appointed. On the question of the section 20C application, it was suggested that these could be dealt with after the event although both Counsel appeared to accept that much would depend on the decision that I made.

## **FINDINGS**

37. Section 24 of the Act indicates that an application for an order can be made but of course it is the tenants' rights to apply. Section 24(2) sets out the steps that I need to consider but the catch all at s24(b) is that any appointment can be made if it is just and convenient in all the circumstances. I remind myself that there is no real challenge to the section 22 notice at least in its format and the times given. I remind myself also that some works have been undertaken to the Property since the original notice.
38. What, however, has not been done is compliance with the accounting requirements and in my findings is a failing by Mr Sohpaal on behalf of the Respondent Company to engage properly with Mr Bishop in the first instance and with the Applicants



generally. His position is perhaps best summed up by an email sent to Antonio Nacca who I believe is Mr Sohpaül's solicitor, which was a copy of that sent to Adam Bishop sometime around 2<sup>nd</sup> April 2020 in response to the minutes of the meeting on 9<sup>th</sup> March. At point 5 Mr Sohpaül says this "CCTV: you state two owners objected to having this installed. I carry 50% of the votes and said this should be installed. There have been issues and the camera will identify these." Clearly this was a matter that was to be proceeded with as there is a later email from Solutions indicating that they were intended to obtain quotes concerning the CCTV system.

39. I am concerned also that proper service charge accounts as provided for in the lease appear not to have been produced for some period in time. It would seem at least since the cessation of the involvement of the Shires management in 2017. As I understand it, after that time Mr Sohpaül took over management himself for a period and then as has been indicated above it appears that Mr Ram had some involvement and then the application was made to the Tribunal and Mr Bishop was appointed. I have noted all that has been said by Mr Bishop and accept his evidence as to the involvement of Mr Sohpaül on behalf of the Respondent Company.
40. I am concerned that Mr Sohpaül considers the Property to be something of his own fiefdom. Five flats are rented out by him to tenants on assured short hold tenancies, as I understand it, and they would appear to be the main driving force for his involvement in the building. Whilst I accept that the Property is in a reasonable state of repair and that some works have been undertaken by Solutions for Property, I do not consider that this is a matter that should be left in its current state. The company arrangements give Mr Sohpaül as the 50% shareholder and sole director the right to in effect run the development as he sees fit. I accept that Mr Sohpaül agreed to Mr Bishop being appointed but I accept also that Mr Bishop's view that Mr Sohpaül made that difficult. He then appointed managing agents, the identity of which is unclear, and was not able to tell me at the hearing who the correct identity of the managing agents was. He also blocked a possible AGM and other meetings with the residents which would have been helpful to have undertaken.
41. I do not consider that there is a great deal to be done to deal with the management of the block. No evidence was given to me that there were major works required. What is needed, however, is a regular management arrangement where the day to day running of the building is property dealt with on an equal footing so that each lessee and Mr Sohpaül for his flats are afforded an equal opportunity and equal rights. This includes of course the preparation of proper service charge accounts for the missing years and the payment by all concerned of their shares in respect of their responsibilities under the lease to make payments in relation to service charges incurred at the Property. This has not been done for a long time, save for a short period when St Cuthberts were involved. It needs to be resolved and I am not satisfied that that will be done satisfactorily by the Respondent under the control of Mr Sohpaül.
42. It was put to me by Mr Haines that a period of 12 months might be sufficient. I was aware at the hearing that other Applicants considered that to be too short a time and that longer period should be given.

43. My view is that an appointment for two years should be sufficient to allow Mr Haines and his company to get the accounts into the proper order, to raise a sinking fund and to carry out a survey of the Property to determine future maintenance programmes that may be necessary. At the end of the two-year period it may be that Mr Sohpaal on behalf of the Respondent is happy with the involvement of the Shires and they can continue. Alternatively, the Applicants can apply, before the management order expires for it to be extended.
44. I would hope that all parties will work with Mr Haines and his team to enable this Property to be managed satisfactorily for all concerned. The terms of the management order follow on this decision.
45. On the question of the section 20C costs, given my findings that the application is successful, I conclude without the need for further submissions that it would be appropriate for a section 20C order to be made in it being just and equitable in all the circumstances of this case. This will mean that in effect each side will pay their own costs. Insofar as the fees paid to the Tribunal are concerned, I heard nothing on this from the parties and I make no order that the Tribunal fees should be payable by the Respondent.

*Andrew Dutton*

Judge:

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A A Dutton

Date: 5<sup>th</sup> October 2020

## **DIRECTIONS**

1. From the date of the appointment and throughout the appointment the Manager shall ensure that he has appropriate professional indemnity cover in the sum of at least £5,000,000 and shall provide copies of the current cover note upon a request being made by any lessee of the Property, the Respondent or the Tribunal.
2. That no later 1<sup>st</sup> November 2020 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 Applicants and the Respondent shall transfer to the Manager all the accounts, books, records and funds (including, without limitation, any service charge reserve fund).
3. The rights and liabilities of the Respondent arising under any contracts of insurance, and/or any contract for the provision of any services to the Property shall upon 1<sup>st</sup> November 2020 become rights and liabilities of the Manager.

4. The Manager shall account forthwith to the Respondent 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 Respondent's covenants contained in the said leases. For the avoidance of doubt Mr Sohpaal shall continue to receive the rental from the properties he owns and shall be responsible for their management, whilst of course being responsible under the terms of the leases for those flats.
5. The Manager shall be entitled to remuneration (which for the avoidance of doubt shall be recoverable as part of the service charges of leases of the Property) in accordance with the Schedule of Functions and Services attached.
6. By no later than one year, the Manager shall prepare and submit a brief written report for the Tribunal on the progress of the management of the property up to that date, providing a copy to the lessees of the Property and the Respondent at the same time.
7. Within 28 days of the conclusion of the management order, the Manager shall prepare and submit a brief written report for the Tribunal, on the progress and outcome of the management of the property up to that date, to include final closing accounts. The Manager shall also serve copies of the report and accounts on the lessor and lessees, who may raise queries on them within 14 days. The Manager shall answer such queries within a further 14 days. Thereafter, the Manager shall reimburse any unexpended monies to the paying parties or, if it be the case, to any new tribunal-appointed manager, or, in the case of dispute, as decided by the Tribunal upon application by any interested party.
8. The Manager shall be entitled to apply to the Tribunal for further directions.

## **SCHEDULE OF FUNCTIONS AND SERVICES**

### Insurance

- (i) Maintain appropriate building insurance for the Property.
- (ii) Ensure that the Manager's interest is noted on the insurance policy.

### Service charge

- (i) Prepare an annual service charge budget, administer the service charge and prepare and distribute appropriate service charge accounts to the lessees.
- (ii) Set and Demand and collect ground rents, service charges (including contributions to a sinking fund), insurance premiums and any other payment due from the lessees, which for the avoidance of doubt includes the service charges payable by Mr Sohpaal in respect of the 5 flats he owns.
- (iii) Instruct solicitors to recover unpaid rents and service charges and any other monies due to the Respondent.

(v) Place, supervise and administer contracts and check demands for payment of goods, services and equipment supplied for the benefit of the Property with the service charge budget.

#### Accounts

(i) Prepare and submit to the Respondent and lessees an annual statement of account detailing all monies received and expended. The accounts to be certified by an external auditor, if required by the Manager. This includes preparing service charge accounts for the missing years.

(ii) Maintain efficient records and books of account which are open for inspection by the lessor and lessees. Upon request, produce for inspection, receipts or other evidence of expenditure.

(iii) Maintain on trust an interest-bearing account/s at such bank or building society as the Manager shall from time to time decide, into which ground rent, service charge contributions and all other monies arising under the leases shall be paid.

(iv) All monies collected will be accounted for in accordance with the accounts regulations as issued by the Royal Institution for Chartered Surveyors.

#### Maintenance

(i) 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 Property.

(ii) 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 Respondent and the lessees.

(iii) The setting up of a planned maintenance programme to allow for the periodic re-decoration and repair of the exterior and interior common parts of the Property.

(iv) Maintain a 24 hour contact arrangement and provide to the leaseholders the relevant contact details.

#### Fees

(i) Fees for the abovementioned management services will be a basic fee of £100 per annum per flat, plus VAT. Those services to include the services set out in the Service Charge Residential Management Code published by the RICS.

(ii) 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 and supervising the works) will be subject to a charge of 10% of the cost for works costing under £10,000, for works costing between £10,001 and £20,000 the charge shall be 5% and above that 2.5% in all cases excluding VAT. This in respect of the professional fees

of an architect, surveyor, or other appropriate person in the administration of a contract for such works.

(iii) An additional charge of £200 for dealing with solicitors' enquiries on transfer will be made, such charge to be made of the selling leaseholder.

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

(v) The preparation of insurance valuations and the undertaking of other tasks which fall outside those duties described above are to be charged for a time basis.

#### Complaints procedure

(i) The Manager shall operate a complaints procedure in accordance with or substantially similar to the requirements of the Royal Institution of Chartered Surveyors.

## **ANNEX – RIGHTS OF APPEAL**

1. 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 at the Regional Office which has been dealing with the case.
2. 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.
3. If the application is not made within the 28-day time limit, such application must include a request to 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.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (ie 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.