



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

Case Reference : BIR/00AW/LAM/2015/0001

Property : 1 Palace Gate, Kensington, London, W8 5LS

Applicants : (1) Wayland Investments Inc.c/o Kleinwort Benson
(Channel Islands) Limited
(2) Henry Sehayek and Dalia Noonoo as Trustees of the
Palace Gate Discretionary Trust

Representative : Collyer Bristow LLP Solicitors
Daniel Dovar, Counsel, Tanfield Chambers

Respondent : Winchester Park Limited (incorporated in British Virgin
Islands)

Representative : Teacher Stern LLP Solicitors
Howard Lederman, Counsel, 37-41 Bedford Row, London

Type of Application : Application for the Appointment of a Manager under
section 24 Landlord & Tenant Act 1987

Tribunal Members : I.D. Humphries B.Sc.(Est.Man.) FRICS
P.J. Hawksworth
N.J. Wint B.Sc. FRICS ACI Arb

**Date and Venue of
Hearing** : 25 and 26 January 2017 at the First-tier Tribunal (Property
Chamber), 10 Alfred Place, London, WC1E 7LT.

**Date of Preliminary
Decision** : 26 June 2017

Date of Final Decision : 26 July 2018

***Set Aside in part and re-made in part
12th February 2020***

FINAL DECISION

Pursuant to Rule 51 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 the Final Decision dated 26th July 2018 has been set aside in part and re-made in part.

Those paragraphs affected are 11, 18, 19 and 21.

The Tribunal's reasons for taking action under Rule 51 are set out in the Decision under case reference BIR/00AW/LAM/2019/0002 dated 12th February 2020.

References contained within square brackets in paragraphs 11, 18, 19 and 21 of this Final Decision are references to paragraphs in the Decision dated 12th February 2020.

D Jackson

Judge of the First-tier Tribunal

Background

- 1 This Final Decision relates to a Preliminary Decision dated 26 June 2017 in which an application had been made to the Tribunal for appointment of a Manager under section 24 of the Landlord & Tenant Act 1987 ('the Act'). In that decision, the Tribunal found that the prerequisites in s.22 of the Act had been met in respect of three of the grounds of the application. However, in view of the consequences of appointing a Manager which were regarded as a sanction of last resort, the Tribunal were reluctant to find that it would have been 'just and convenient' to make the appointment and deferred a final decision for six months to allow the existing Manager Mr Maloney time to become more established at which point the position could be re-assessed.
- 2 Directions were issued and the parties made further submissions supported by witness statements which were received by the Tribunal on 9 February 2018.
- 3 The Respondent objected to some of the comments made by the Applicant's witness Mr Grace but to ensure all the points were fully considered, the Tribunal issued further Directions requiring final submissions to be made by 12.00 noon on Thursday 12 April 2018.
- 4 The Applicants' final submission was received in time.
- 5 The Respondent's Solicitor emailed the Tribunal on 11 April requesting an extension to 16.00 pm on Friday 13 April and at 16.06 pm 13 April, requested another extension to 18.00 pm on Monday 16 April. As the Tribunal Chairman was away, these requests were not agreed but in the interests of ensuring that all points were fully aired and to bring finality to this long running case, the Tribunal was prepared to allow the late submission and has taken account of its content in arriving at this decision.
- 6 Furthermore, the Tribunal has been willing to give latitude in this case due to the exceptional circumstances of the Respondent's Solicitor and Counsel both being ill during Spring 2018.

Method of Submission

- 7 The Tribunal heard the case over two days in 2017 with both parties represented by Counsel. In view of the potential cost of another day's hearing which the Tribunal regarded as disproportionate, the Tribunal suggested the final decision could be made by written submissions and witness statements and invited the parties to comment.
- 8 Both parties agreed, Solicitors for the Applicant by email on 14 February 2018 and Solicitors for the Respondent by email on 21 February 2018. It is therefore surprising to

find that in his final submission, Counsel for the Respondent complains '*Unfortunately the procedure adopted by the Tribunal (determination without a hearing) means that R and its legal advisers will not have had the opportunity to test the evidence advanced by Mr Grace in cross examination or otherwise, or to respond to a new set of submissions advanced by A1/2.*'

- 9 The Tribunal refutes this, the parties have been given ample opportunity to air their views, there have been three rounds of witness statements, timetables have been relaxed to accommodate the parties and Teacher Stern Solicitors for the Respondent had agreed the procedure. The Tribunal therefore proceeds on the basis agreed by the parties.

Tribunal Findings

- 10 In order to assess whether it would be 'just and convenient' to make the appointment, the Tribunal considered further witness statements and Counsel submissions for both parties. The Tribunal do not propose to rehearse all the points made which will be familiar to the parties, but focus on the key elements summarised below.

For the Respondent

- 11 **Mr Maloney**

Paragraph 51 of the Preliminary Decision gave clear instructions to the Respondent to:

'set out the up-to-date service charge position together with details of any arrears of service charge, who owes the same and the reasons given for non-payment.'

and to Mr Maloney to produce a witness statement which should

'contain his proposals for recovery of any outstanding service charge.'

Having read the additional statements and submissions, the following points are particularly relevant:

- 1 Accounts for service charge year ended on 31 May 2017 were not received by leaseholders until 12/11/17 due to late submission of cleaning invoices by the Respondent [44].

The Tribunal finds this delay unreasonable.

- 2 In his statement of 16 March 2018, Mr Maloney said at para.5.1.5(f)(i) that what was needed was:

'a proper survey of the building and calculation completed to establish the condition of the building and equipment elements; including a statement on anticipated life expectancies and costs for interim repair and eventual replacement,...'

This matter was not progressed due to the continuing and unresolved dispute between the Applicants and the Respondent [45]. Mr Maloney was not put in funds to progress either survey or long term management [46]. The lack of any necessary survey is a failing for which the Respondent is responsible.

3 Set Aside [50].

4 The Respondent has been paying the cleaning costs directly. All services should be under the direct control and paid for by the managing agent [53].

The Tribunal finds this unacceptable.

5 The Respondent has required Mr Maloney to take his instructions from Mr Fisher, a new party not referred to at the January 2017 Hearing and apparently introduced at a later date, who he described as '*the main point of contact now for the Landlord*' [para.5.1.2(b)], but it is not clear from either his or Mr Fisher's statements whether it is Mr Fisher who is acting as primary agent or his company, Pegasus Advisory Ltd. The Tribunal finds this unacceptable. Mr Maloney has acted in accordance with his client's instructions in treating Mr Fisher as the principal point of contact [56].

6 The Respondent has failed to deal adequately with recovery of service charge arrears (and to reflect any credits within the accounts). The Tribunal finds this unacceptable. Mr Maloney was not instructed in any litigation in relation to the collection of arrears. Those matters were dealt with by the Respondent's solicitors [57-62].

12 **Mr Fisher**

Mr J.D.Fisher provided a witness statement on behalf of the Respondent which was received by the Tribunal on 9 February 2018. He said he had been a Chartered Accountant and Director of Pegasus Advisory Limited although checks made by the Applicants' solicitor found the company had been dissolved on 30 May 2017.

Mr Fisher's main expertise is as a tax consultant associated with property ownership. He advised that he had been corresponding with the Applicants' solicitor about service charges (para.12), joint correspondence with the managing agent over management of the building, service charges and statements of account and attending a meeting with the Applicants' solicitor and lessees on 12 October 2017. These are all functions normally expected of a managing agent acting alone which raises the question of whether Mr Fisher was the managing agent or Mr Maloney. His status is unclear but if the property is to be effectively managed, the managing agent's identity and role must be provided to the lessees.

The Tribunal is surprised to find another party involved but his position tends to suggest a lack of individual responsibility for the property's management.

13 **A.Mahpud**

Mr Mahpud advises that he resigned as Director of Winchester Park Ltd. on 15 August 2017 and notified the Applicants' solicitor on 16 August 2017.

However, Mr Grace, the Applicants' solicitor advised that he had been told by Mr Mahpud that he had resigned some two weeks earlier (MJC para.14) and the letter of 15 August merely stated that he 'wished' to resign as Director from that date. In fact, Mr Mahpud had previously advised Mr Grace that he had resigned on 16 September 2015 but was still a Director of the Freeholder on 16 January 2017 (MJC para.19).

The role of Mr Mahpud is not entirely clear, however the Tribunal is only concerned with whether or not it would be just and convenient to appoint a Manager.

14 **H.Lederman of Counsel**

Mr Lederman's submission covers the points raised by the Applicants and concludes that Mr Maloney is an independent manager unafraid of reprimanding his employer or taking steps to remedy breaches where in the interests of 1 Palace Gate as a whole. Mr Lederman congratulates Mr Maloney for his professional commitment in the face of sustained criticism and monitoring and difficult protagonists.

For the Applicant

15 **M. Grace**

Mr Grace is solicitor to the Applicants and has acted on their behalf for several years. He makes numerous points having been involved in meetings and correspondence with the

Freeholder, with Mr Mahpud, the Freeholder's solicitors, Mr Maloney and Mr Fisher, but is clearly frustrated by the lack of proper management being carried out.

16 **D. Dovar of Counsel**

Mr Dovar states that less than two weeks after the hearing for appointment of a manager, the Respondent pressed ahead with four claims against the Applicants in the County Court and lost. In this decision, Deputy District Judge Shelton sitting in Wandsworth County Court (Case 3YL63321) held:

para 1: *'The need to bring the case to this stage after years of dispute, I regret to say, is clearly laid at the door of the claimants (Winchester Park Ltd.) or their managing agents, because more competent accounting could have avoided this, I think, altogether.'*

para 6: *'I am afraid that the systems used by the claimant, do not provide clarity for anybody, least of all the claimant.'*

para.7: *'.. It is frankly beyond me as to how the claimant can carry on. That is how inaccurate their record keeping is. I find that, as a fact.'*

Mr Dovar said Mr Maloney had failed to produce the service charge budget to year end 31 May 2018, failed to serve service charge demands, failed to get to grips with the outcome of the Respondent's loss in the County Court litigation, failed to produce accurate statements of account for the Applicants and failed to produce the 2017 service charge accounts within a reasonable time. In summary, Mr Dovar said there was no prospect of proper management unless the manager proposed by the Applicants, Mr Michael Maunder Taylor, were appointed.

Tribunal Decision

17 Having carefully considered the evidence presented to it, the Tribunal finds there has been no real change in the standard of management since the hearing in January 2017.

18 The Respondent has not convinced the Tribunal that the Property is being effectively managed for the following reasons:

- (a) service charge demands and year-end statements are being sent too late;
- (b) there has been no proper survey to identify the major costs of repair expected in the future (which are essential to set a budget);
- (c) the way the service charge accounts have been presented is confusing ;

(d) Set Aside [65].

(e) The Respondent has failed to deal adequately with recovery of service charge arrears (and to reflect any credits within the accounts) [57-62].

19 Set Aside [75].

20 In the Tribunal's further opinion, Mr Fisher's involvement adds nothing to the management other than adding yet another layer. Arising out of the Hearing, the Tribunal has always been concerned about the opacity of ownership of the reversionary interest in 1 Palace Gate and the management difficulties caused to the lessees that such opacity causes and the introduction of Mr Fisher does not alleviate these concerns, it merely adds to them. He appears to be acting jointly with Mr Maloney but was not previously identified as a Manager. The fact that his expertise seems to lie in tax advice and company re-structuring does not persuade the Tribunal that he is a suitable or competent property manager nor is his comment that he is Director of 'Pegasus Advisory Limited', that is to say, a company that Mr Grace ascertained had been dissolved in May 2017, calculated to reassure. When it deferred its decision, the Tribunal was hoping that Mr Maloney would demonstrate strong, efficient and effective management but those hopes have simply not materialised, the Tribunal finds. Instead effectively all the Respondent has done is to involve Mr Fisher.

21 Bearing these points in mind, the Tribunal, therefore, has no hesitation in finding it just and convenient to appoint a new Manager. No criticism has been made of the Applicants' proposed appointee, Mr Michael Maunder Taylor FIRPM, AssocRICS, whom the Tribunal finds eminently suitable as referred to in the Preliminary Decision. (para.46). The Tribunal has, as stated above, given the Respondent, more than adequate time to demonstrate that the property is now being managed in a transparent and competent manner and yet, despite a two day hearing and numerous exchanges of documentation post-hearing, many, if not most of the Applicants' concerns remain outstanding. In the Tribunal's view it is time for an independent outsider to step in and manage and the Tribunal feel that backed up by the authority of a suitable order such manager will do a better job than the combined and hitherto inadequate efforts of the Respondent and Mr Fisher [75].

22 Therefore, in accordance with section 24(1) Landlord and Tenant Act 1987, Mr Michael Maunder Taylor of Maunder Taylor Chartered Surveyors is appointed as Manager of the property at 1 Palace Gate, London W8 5LS. The Manager shall manage the Property in accordance with the Management Order and schedule of functions and services attached to this order.

I.D. Humphries B.Sc.(Est.Man.) FRICS
Date

Application to the Upper Tribunal/Appeal Provisions

A person wishing to appeal this decision to the Upper Tribunal (Property Chamber) must seek permission to do so by making a written application to the First-tier Tribunal at the Regional Office which has been dealing with the case which application must:

i) be received by the said office within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

ii) identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.

If the application is not received within the 28-day limit, it must include a request for extension of time and the reasons for it not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal.

IN THE FIRST-TIER TRIBUNAL (PROPERTY CHAMBER)

CASDE REF: BIR/00AW/LAM/2015/0001

IN THE MATTER OF SECTION 24(1) OF THE LANDLORD & TENANT ACT 1987

AND IN THE MATTER OF

1 PALACE GATE, LONDON, W8 5LS

BETWEEN:

**WAYLAND INVESTMENTS INC.(1)
HENRY DEHAYEK AND DALIA NOONOO AS TRUSTEES OF
THE PALACE GATE DISCRETIONARY TRUST (2)**

Applicants

AND

WINCHESTER PARK LIMITED

Respondent

MANAGEMENT ORDER

Interpretation:

In this Order:

- (a) 'Common Parts' means any garden, post box, refuse store, cycle store, security gate, lift, path, hall, staircase and other access way and area (if any) within the premises provided by the Respondent for common use by the Lessees.
- (b) 'Leases' means the leases vested in the Lessees of the flats and leases vested in the Lessees of the commercial units.
- (c) 'Lessee' means a tenant of any flat or commercial unit.
- (d) 'the Manager' means Mr Michael Maunder Taylor of Maunder Taylor, Chartered Surveyors.

- (e) 'the Premises' means all that property known as 1 Palace Gate, London, W8 5LS including the five flats, two commercial units and basement office.
- (f) 'The Respondent' includes any successors in title of the freehold estate registered under Title Number BGL5964 or any interest created out of the freehold title.
- (g) 'the Tribunal' means the First-tier Tribunal (Property Chamber).

Preamble

UPON the Applicants having applied for the Appointment of a Manager under Part II, Landlord and Tenant Act 1987

AND UPON the Tribunal being satisfied that the Applicant is entitled to so apply and that the jurisdiction to appoint a Manager is exercisable in the present case

AND UPON the Tribunal being further satisfied that the conditions specified in s24 Landlord and Tenant Act 1987 are met, such that it is just and convenient to appoint a Manager

IT IS ORDERED THAT

The Manager:

- 1 The Appointment of Mr Michael Maunder Taylor as Manager (including such functions of Receiver as specified herein) of the Premises pursuant to s.24 of the Act shall continue for a period of two years from the date of this Order and is given for the duration of his appointment all such powers and rights as may be necessary and convenient and in accordance with the Leases to carry out the management functions of the Respondent and in particular:
 - (a) To receive all service charges, interest and other money payable under the Leases and any arrears thereunder, the recovery of which shall be at the discretion of the Manager.
 - (b) For the avoidance of doubt, the current service charge financial year shall continue to 31 May 2019 and thereafter from 1 June to 31 May in each year this Order is in place.
 - (c) The power and duty to carry out the obligations of the Respondents contained in the Leases and in particular and without prejudice to the foregoing the power to carry out:
 - (i) the Respondent's obligations to provide services;
 - (ii) the Respondent's repair and maintenance obligations; and
 - (iii) the Respondent's power to grant consent (save that the Manager may not give consent for alterations in respect of any lease of a flat in the Premises, such power to be retained by the Respondent).
 - (iv) the power to grant consent to assignment of the residential leases if required.

- (d) The power to delegate to other employees of Maunder Taylor, appoint solicitors, accountants, architects, surveyors and other professionally qualified persons as he may reasonably require to assist him in the performance of his functions.
- (e) The power to appoint any agent or servant to carry out any such function or obligation which the Manager is unable to perform himself or which can more conveniently be carried out by any agent or servant and the power to dismiss such agent or servant.
- (f) The power is his own name or on behalf of the Respondent to bring, defend or continue any legal action or other legal proceedings in connection with the Leases of the Premises including but not limited to proceedings against any Lessee in respect of arrears of service charges or other monies due under the Leases and to make any arrangement or compromise on behalf of the Respondent. The Manager shall be entitled to an indemnity for both his own costs reasonably incurred and for any adverse costs order out of such service charge account.
- (g) The power to commence proceedings or such other enforcement action as necessary to recover sums due from the Respondent pursuant to paragraph 1(c) of this Order.
- (h) The power to enter into or terminate any contract or arrangement and/or make any payment which is necessary, convenient or incidental to the performance of his functions.
- (i) The power to open and operate client bank accounts in relation to the management of the Premises and to invest money pursuant to his appointment in any manner specified in the Service Charge Contributions (Authorised Investments) Order 1998 and to hold those funds pursuant to s.42 of the Landlord & Tenant Act 1987. The Manager shall deal separately with and shall distinguish between money received pursuant to any reserve fund (whether under the provisions of the Lease (if any) or the power given to him by this Order) and all other money received pursuant to his appointment and shall keep in a separate bank account or accounts established for that purpose money received on account of the reserve fund.
- (j) The power to rank and claim in the bankruptcy, insolvency, sequestration or liquidation of the Respondent or any Lessee owing sums of money under his Lease.
- (k) The power to borrow all sums reasonably required by the Manager for the performance of his functions and duties, and the exercise of his powers under this Order in the event of there being any arrears or other shortfalls of service charge contributions due from the lessees or any sums due from the Respondent, such borrowing to be secured if necessary on the interests of the defaulting party (i.e. on the leasehold interest of any defaulting Lessee, and the freehold of the Premises in respect of the Respondent) PROVIDED THAT the Manager shall not secure any borrowing as aforesaid without the consent of the defaulting party (not to be unreasonably withheld), or in default of that consent, without further Order of the Tribunal.

If the parties wish to apply for any extension of the order, they are encouraged to do so at least three months before the Order expires.

- 2 The Manager shall manage the Premises in accordance with:
 - (a) the Directions of the Tribunal and the Schedule of Functions and Services attached to this Order;
 - (b) the respective obligations of all parties, landlord and tenants, under the Leases and in particular with regard to repair, decoration, provision of services and insurance of the Premises; and
 - (c) the duties of the Manager set out in the Service Charge Residential Management Code (the 'Code') or such other replacement code published by the Royal Institution of Chartered Surveyors approved by the Secretary of State pursuant to s.87 of the Leasehold Reform, Housing & Urban Development Act 1993.
- 3 That not later than four weeks 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 and documentation. No later than this date, the Respondent and its agents shall transfer to the Manager all the accounts, books, records and funds (including without limitation, any service charge reserve fund).
- 4 From the date of this Order, no other party shall be entitled to exercise a management function in respect of the Premises where the same is a responsibility of the Manager under this Order.
- 5 From the date of this Order, the Respondent shall not, whether by itself or any agent, servant or employee, demand any further payment of service charges, administration charges or insurance premiums from the Lessees (including the commercial tenants) at the Premises, such functions having been transferred to the Manager from and including the date of the Tribunal's decision.
- 6 The Respondent and the Lessees and any agents or servants thereof shall give reasonable assistance and co-operation to the Manager in pursuance of their duties and powers under this Order and shall not interfere or attempt to interfere with the exercise of any of their said duties and powers.
- 7 Without prejudice to the generality of the foregoing:
 - (a) The Respondent shall permit the Manager and shall assist him as he reasonably requires, to serve upon Lessees any Notices under s.146 of the Law of Property Act 1925 or exercise any right of forfeiture or re-entry or anything incidental or in contemplation of the same.
 - (b) The rights and liabilities of the Respondent as Landlord arising under any contracts of insurance to the Premises shall continue as rights and liabilities of the Manager.
 - (c) The Manager shall be entitled to remuneration (which for the avoidance of doubt shall be recoverable as part of the service charges) in accordance with the Schedule of Functions and Services attached.
- 8 The Manager shall in the performance of his functions under this Order exercise the reasonable skill, care and diligence expected of a Manager experienced in carrying out work of a similar scope and complexity to that required for the performance of the said functions and shall ensure he has appropriate professional indemnity cover in the sum

of at least £5,000,000 providing copies of the current cover note upon request to any Lessee, the Respondent or the Tribunal.

- 9 The Manager shall act fairly and impartially in his dealings in respect of the Premises.
- 10 The Manager is directed to register a restriction in Land Registry standard form N against the Respondent's estate registered under Title Number BGL5964 in the following words: 'No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by Mr Michael Maunder Taylor.
- 11 The obligations contained in this Order shall bind any successor in title and the existence and terms of this Order must be disclosed to any person seeking to acquire either a leasehold interest (whether by assignment or new grant) or the freehold.
- 12 At the expiry of six months from the date of this Order the Manager shall prepare a brief written Report for the Tribunal on the progress of the management of the property up to that date and shall submit the same to the Tribunal no later than 1 March 2019.

Exclusions

- 13 For the avoidance of doubt, this Order does not require or permit the Manager to:
 - (a) collect ground rent or rack rent from the Lessees (other than service charge contributions or insurance premium reserved a rent);
 - (b) to advise on or negotiate new terms in respect of the commercial units on the ground floor or basement or serve any notice to quit pursuant to s.25 Landlord & Tenant Act 1954 which remain the responsibility of the Respondent;
 - (c) to advise on or negotiate rating assessments or Council Tax assessments on behalf of the Applicants or Respondent.

Liberty to Apply

- 14 The Manager may apply to the First-tier tribunal (Property Chamber) for further Directions in accordance with s.24(4) of the Landlord & Tenant Act 1987. Such Directions may include but are not limited to:
 - (a) Any failure by any party to comply with an obligation imposed by this Order;
 - (b) For Directions generally;
 - (c) Directions in the event that there are insufficient sums held by him to discharge his obligations under this Order and/or pay his remuneration.
 - (d) Any amendment to this Order necessary to enable the Manager to manage effectively.

S.20C Landlord & Tenant Act 1985

- 15 The Respondent shall not be entitled to recover its costs of these proceedings from any Applicant by way of a service charge.

SCHEDULE OF FUNCTIONS AND SERVICES

Service charge

- 1 Prepare an annual service charge budget, administer the service charge and prepare and distribute appropriate service charge accounts to the lessees as per the terms of the Leases.
- 2 Instruct solicitors to recover any unpaid service charges and insurance premiums.
- 3 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 service charge contributions and insurance contributions arising under the leases shall be paid.
- 4 Create a reserve fund.
- 5 Manage all outgoings from the funds received in accordance with this Order in respect of day to day management and pay bills.
- 6 All monies collected will be accounted for in accordance with the regulations of the Royal Institution for Chartered Surveyors.
- 7 Produce for inspection (but not more than once a year) within a reasonable time following written demand by the Lessees or Respondent, relevant receipts or other evidence of expenditure and provide VAT invoices (if any).
- 8 Deal with all enquiries, reports, complaints and other correspondence with Lessees, solicitors, accountants and other professional persons in connection with matters arising from the day to day financial management of the Premises.

Insurance

- 9 Take out in the Manager's name in accordance with the terms of the Leases an insurance policy in relation to the buildings and contents of the common parts of the Premises with a reputable insurer, and provide a copy of the cover note to all Lessees and the Respondent on request.
- 10 Manage or provide for the management through a broker, any claims brought under the insurance policy taken out in respect of the Premises with the insurer.

Maintenance

- 11 Deal with all reasonable enquiries raised by the Lessees in relation to repair and maintenance work and instruct contractors to attend to and rectify problems as necessary. Deal with all maintenance relating to the services and structure of the Property.
- 12 Administer contracts entered into on behalf of the Respondent and Lessees in respect of the Premises and check demands for payment of goods, services, plant and equipment supplied in relation to contracts.
- 13 Manage the common parts and service areas of the Premises, including the arrangement and supervision of maintenance.
- 14 Carry out regular inspections (at the Manager's discretion but not less than four per year) without use of equipment, to such of the common parts of the Premises as can safely be inspected without undue difficulty to ascertain for the purpose of day-to-day management only, the general condition of the common parts.

Major Works

- 15 In addition to undertaking and arranging day-to-day maintenance and repairs, to arrange and supervise major works required to be carried out to the Premises (such as interior or exterior redecoration or repairs required to be carried out under the terms of the Leases or other major works and where necessary prepare a specification of works, obtain competitive tenders, serve relevant notices on the Lessees and supervise the works).
- 16 In particular to undertake as soon as practicable a full health and safety review, an assessment of the electrical supply to the Premises and ensure that the ventilation duct serving the restaurant is cleaned annually at the cost of the tenant of the restaurant unit.

Administration and Communication

- 17 Deal promptly with all reasonable enquiries raised by Lessees, including routine management enquiries from the Lessees or their solicitors.
- 18 Provide the Lessees with telephone, postal and email contact details and complaints procedure.
- 19 Keep records regarding details of Lessees, agreements entered into by the Manager in relation to the Premises and any changes in Lessees.

Complaints procedure

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

Fees

- 21 Fees for the mentioned management services (with the exception of supervision of major works) will be £7,500 plus VAT per annum for the Premises until the end of the current service charge year. Thereafter the fee shall be reviewed annually in line with inflation.
 - 22 An additional charge shall be made in relation to the arrangement and supervision of major works (including preparation and service of any statutory consultation notices) on the basis of a fee of 2% of the cost of works plus VAT.
 - 23 An additional charge shall be made in relation to the arrangement, claims handling and brokerage of insurances for the Premises, public liability, engineering and employee cover on the basis of a fee of 20% of the insurance premium.
 - 24 An additional charge for dealing with solicitors' enquiries on transfer will be made in a sum not to exceed £150 plus VAT payable by the outgoing Lessee.
 - 25 The undertaking of further tasks which fall outside those duties described above are to be charged separately at a present hourly rate of £125 plus VAT for a qualified member of staff but, if the matter requires the Manager's personal attention, at a present hourly rate of £200 plus VAT for Mr Michael Maunder Taylor.
 - 26 The recovery of outstanding service charge monies shall give rise to an administration charge payable by the defaulting Lessee of £30 for each letter written after the first.
-