



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

Case Reference : CAM/22UK/LAM/2023/0007

Property : 1-38 Wantz Haven, Princes Road, Maldon,
Essex CM9 5HA

Applicant : Kenneth Russell

Representative : In person

Respondent : Salco Estates Limited (in liquidation)

Representative : None

The Manager : Paul Noble

Tribunal members : Tribunal Judge Stephen Evans
Mr Gerard Smith FRICS FAAV

Date of hearing : 13 January 2025

Date of decision : 14 January 2025

DECISION

The Tribunal determines that:

- 1. The Application for an appointment of a manager is granted.**
- 2. Mr Paul Noble is appointed manager of the Property for a period of 10 years from 14 January 2025 on the terms of the Management Order attached to this decision.**
- 3. In so far as the Applicant has paid the application fee of £100 and/or hearing fee of £200 directly, as opposed to it being levied through the services charges, the Tribunal directs that he be reimbursed with such fee(s) within 28 days hereof.**

REASONS

Introduction

1. This Application to appoint a Manager is made because the freehold owner, Salco Estates Limited, is in liquidation, with no liquidator having been appointed.
2. The Applicant is the lessee of flat 7 in one of the 5 blocks which the Property comprises. It is a purpose built retirement complex with a warden. There are 36 flats owned by lessees, a residents' lounge, and a laundry room. The complex was built in or around the 1980s.
3. On 2 December 1986 the Respondent became the registered freehold proprietor of the Property at the Land Registry.
4. On 21 April 2015 an application was made in case reference CAM/22UK/LAM/2015/0004 for the appointment of Manager for the Property, as a result of which Mr. John Edwards was appointed for the period 4 August 2015 to 31 December 2020 or further order. The grounds for the appointment of the Manager were essentially the same as herein, in that the Respondent was even then in liquidation, with no liquidator appointed. The Tribunal was satisfied that it was just and convenient to appoint a Manager. The decision makes reference to a 10 year management plan effective from 1 January 2015, which the Tribunal notes has now expired.
5. The Application before us was made on 19 May 2022, again to appoint Mr Edwards as the Tribunal appointed Manager. However, he retired in 2024, and the Applicant now seeks to have Mr Paul Noble appointed in lieu of Mr. Edwards.
6. On 12 August 2024 the Tribunal procedural judge gave directions in the matter, leading to a witness statement by Mr Noble dated 13 September 2024, and a 90 page bundle.
7. For sake of completeness, it is recorded that the Treasury Solicitor has written to the Tribunal to state that it does not have any interest in the Application,

save to ensure that no order is made against the Crown, in whom the reversion of the Property remains vested.

Issues

8. As the procedural judge had directed, the following issues require consideration:
 - (1) Can/should the Tribunal dispense with the requirement to serve a preliminary notice under section 22 of the Landlord and Tenant act 1987 before applying to the Tribunal?
 - (2) Has the Applicant satisfied the Tribunal of any ground for making an order, as specified in section 24(2) of the said Act?
 - (3) Would the proposed Manager be a suitable appointee, and if so on what terms and for how long should the appointment be made?
 - (4) Is it just inconvenient to make a management order?

The hearing

9. The hearing was conducted remotely, and attended by the Applicant and Mrs Bobby Marchant, the chair of the Residents Association. Miss Sarah Miller ATPI, Miss Louise Burnett and Mr Paul Noble (the proposed Manager), all of Lambert Smith Hampton Residential Limited, also attended.

Determination

- (1) Can/should the Tribunal dispense with the requirement to serve a preliminary notice under section 22 of the Landlord and Tenant Act 1987 before applying to the Tribunal?*
10. Section 22 of the Act says that, before making an application under s.24, an applicant must serve a notice on the landlord explaining that they propose to make an application to the Tribunal for the appointment of Manager. Specifically, the notice must specify the grounds on which the Tribunal would be asked to make an order, and where those matters are capable of being remedied, to do so within a period which is specified in the notice.
11. It is possible, however, for the Tribunal to waive this procedural requirement in circumstances where it decides “it would not be reasonably practicable to serve such a notice”: see s.24(3).
12. In this Tribunal's determination, it would not be practicable for the Applicant to have served a landlord which is in liquidation, and for which no liquidator has been appointed. We therefore dispense with that formal requirement in this case.

(2) Has the Applicant satisfied the Tribunal of any ground for making an order, as specified in section 24(2) of the said Act?

13. The complex is being adequately managed at the moment by the company of which Mr Noble is the managing director. The Applicant stated that it is a nice complex with not too many problems, and that management has improved much in recent times.

14. Miss Miller explained that Mr Jon Edwards had left the company, but had remained the Manager formally until 2024. Mr Noble added that, with no landlord in place, there was no principal to whom a managing agent can legitimately report. Accordingly, it was considered appropriate that the Tribunal exercises its supervisory jurisdiction under Part 2 of the 1987 Act.

15. The Tribunal agrees. Whilst there is no breach of any obligation for the purposes of section 24(2)(a) of the Act, the peculiar circumstances of this case are such that the Tribunal is satisfied that “ circumstances exist which make it just and convenient” for the order to be made, for the purposes of s.24(2)(b).

(3) Would the proposed Manager be a suitable appointee, and if so on what terms and for how long should the appointment be made?

16. Mr Noble confirmed the contents of his statement dated 13 September 2024 as true.

17. In summary, he gives evidence that he has been in property management since 2001, albeit with his current company (either in the guise of Lambert Smith Hampton Residential Limited or formerly as HLM Property Management) for 13 years; that he has been a Property Manager / Senior Property Manager directly managing a portfolio of approximately 900 units over approximately 25 blocks, including mixed tenure estates and blocks of flats from 4 units to 140 units. Mr Noble states that he is qualified to MTPI and AssocRICS level.

18. Mr Noble further states that is based in Hull, but has daily contact with his regional offices, including London, from where the Property is currently managed.

19. Miss Miller confirmed she has day to day management. She lives in Essex, only half an hour from where the Property is located. Miss Miller explained that she would organise any repairs as the designated Property Manager, and would be arrange the same when contacted by the on site Property Manager employed by Lambert Smith Hampton Residential Limited for daily oversight (currently Terry Keller).

20. It was explained that Mr Noble was being sought as the appointee because he was at the same level of seniority as Mr. Edwards had been. Mr Noble also explained that he would be appointed Manager because the industry has a relatively high turnover of Property Managers, and for the 10 year period

sought, he could provide continuity. He was effectively the internal client, because of the absence of a freeholder.

21. Mr Noble went on to explain that Miss Miller would come to him directly as regards any major works, or other matter which required his input. Although he had not inspected the Property in person, he had checked site inspection reports, and had sight of the financial planning in respect of the Property. He had been involved with the Property in that regard since the middle of 2024. She had been practically managing since January 2024. He explained that he could meet with Miss Miller about once a quarter, realistically. He confirmed he would adequately monitor Miss Miller's day-to-day management.
22. He explained that the £180 + VAT charged to each lessee for management in 2024 covered all the usual duties of: setting the budgets, levying charges, ensuring compliance with legislation, undertaking repairs, and managing the Property as per the terms of the lease.
23. He confirmed that there is a complaints procedure, with 2 stages followed by a referral to the Property Ombudsman, in materially the same terms as the RICS complaint procedure. He confirms in his statement he is au fait with the RICS Service Charge Management Code.
24. He confirmed that there was a client money protection scheme in force.
25. He confirmed that the professional indemnity insurance of £10M held by LSHR specifically includes the additional risks involved with his being appointed Manager.
26. He then gave evidence of the state of the sinking/ reserve fund since 2021, which revealed that there had been several expenditures on guttering repairs, as well as fire safety matters. With the fund at around £7000 at the moment, the proposed charging of £5000 per annum for a property of this age was appropriate.
27. He confirmed that he would undertake a planned preventative maintenance programme, as per the draft Management Order, which he expected to be concluded by 30 April 2025.
28. He had checked the Property's safety compliance status and had found no red flags, although they were awaiting sight of the latest fire risk assessment, imminently.
29. Mr Noble indicated that he will and does take interest in the Property, and understands the particular challenges afforded by a retirement complex.
30. He confirmed that he had not been appointed by the FTT as a Tribunal Manager previously.
31. The Applicant indicated, through Mrs Marchant, that he did not object to the appointment of Mr Noble; indeed they indicated that it made sense to have someone senior who might outlast the tenure of any particular on site Property Manager.

32. Given all the above, the Tribunal is satisfied that Mr Noble is a suitable appointee to be Manager, as long as he continues to manage in conjunction with a local Property Manager (Miss Miller currently) and on site Property Manager/Caretaker (currently Terry Keller).
 33. As to the terms of the Draft Management Order, the Tribunal is satisfied that, as before, the management period should be for a period of 10 years, in order to give stability to the leaseholders.
 34. Amendments were discussed and agreed to paragraph 6 and others, at the Tribunal's suggestion. Paragraph 22(a) was clarified as being an annual fee for 2025 of £189, with the additional fees in subparagraph (b) and the Schedule of Additional Fees explained during the course of hearing by Mr Noble (and not opposed by the Applicant).
 35. Mr Noble agreed there was no need for the previous draft paragraph 27 (service charge payable by landlord), given this could not be realistically recovered.
 36. Mr Noble, as mentioned above, suggested 30 April 2025 in place of the blank space in the draft paragraph 40 (date for provision of a planned maintenance programme).
 37. Mr Noble agreed to the removal of the requirement to send a brief written report to the landlord on the progress of the management of the Property 6 months after the date of appointment (paragraph 42).
 38. With those amendments being made, the Tribunal is prepared to make a management order, in the terms separately accompanying this decision.
- (4) Is it just and convenient to make a management order?*
39. For all the above reasons, the Tribunal is satisfied that it is just and convenient to make a Management Order.

Conclusions

40. The Tribunal wishes the parties success going forward, and reminds them that co-operation in the first instance is appropriate before resort to the Tribunal in future.
41. Lastly, it was unclear whether the Applicant had alone paid the Tribunal application and hearing fees, starting in 2022.
42. The Tribunal determines that, in so far as the Applicant has paid the application fee of £100 and/or hearing fee of £200 directly, as opposed to it being levied through the services charges, the Tribunal directs that he be reimbursed with such fee(s) within 28 days hereof.

Judge:

S J Evans

Date:

14/1/25

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 (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.