

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : HAV/00ML/LAM/2025/0600

**Property**: 91-95 May Road, Brighton, BN2 3ED

**Applicant** : Ms Emma Reeves

**Representative**: Bate & Albon Solicitors

**Respondent**: Emarketing Developments Limited

**Representative** : Mr Semmakie

**Type of Application**: (1) Application under Section 24 of the

Landlord and Tenant Act 1987 for the

appointment of a manager.

**Tribunal Members**: Regional Surveyor J Coupe FRICS

Ms C Barton MRICS

**Date & Venue of Hearing:** 18 March 2025

Brighton Tribunal Hearing Centre, BN3 1TL

**Date of Decision** : 28 May 2025

**DECISION** 

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#### **Decision of the Tribunal**

- (1) The Applicant's application for the appointment of a manager is granted.
- (2) The Tribunal appoints Mr Graeme John as Manager of the Property for a term commencing on 1<sup>st</sup> June 2025 and ending, subject to any extension, on 31<sup>st</sup> May 2028.
- (3) The Tribunal orders the Respondent to reimburse the Applicant their application fee of £110.00 and hearing fee of £220.00. Such sums to be paid to the Applicant's solicitor within 28 days of the date of this decision.
- (4) The Applicant's application for costs under Rule 13(1) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 is dismissed.

The reasons for the Tribunal's decision are set out below.

#### **REASONS**

# **Background**

- 1. The Applicant holds a long leasehold interest in the property known as 91 May Road, Brighton, BN2 3ED, such interest having been acquired in 2008.
- 2. The Applicant seeks an order from the Tribunal for the appointment of a manager of the property known as 91-95 May Road, Brighton, BN2 3ED ("the property") under s.24 of the Landlord and Tenant Act 1987 ("the 1987 Act"). The nominated manager is Mr Graeme John of Godfrey John & Partners of 17 Sackville Road, Bexhill on Sea, East Sussex, TN39 3JD.
- 3. The Respondent is the freeholder of the property. The Respondent's representative, Mr Semmakie, is the sole Director of the freeholder company and holds a long leasehold interest in the third flat in the building.
- 4. The property is a three-storey building containing three self-contained flats, one on each level. The Applicant holds a long-leasehold interest in the ground floor flat, known as 91 May Road. Flat 93 May Road is owned by Mr Semmakie, and Flat 95 May Road is sublet and held by a lessee who is not a party to these proceedings. Notification of the application has been served on the third party but no response was received.
- 5. The management of the subject premises has, historically, been undertaken by Mr Semmakie on behalf of the Respondent freeholder. However, in recent years there has been increasing disagreement about the management of the property which has led to this application.

- 6. Against that background, on 5 December 2024, the Applicant initiated the preliminary stage of an application for the appointment of a manager pursuant to section 24 of the Act by serving on the freeholder a Notice under section 22 of the Act ("the Notice"). The Notice indicated that the Applicant intended to apply for an order for the appointment of a manager of the subject premises and specified the grounds on which the Tribunal would be asked to make the order.
- 7. The specified grounds, set out in the First Schedule of the Notice, were
  - (i) The landlord is in breach of obligations owed to the Tenant under the lease.
  - (ii) The landlord is in breach of the Code of Practice in respect of building management approved by the Secretary of State under Section 87, Leasehold Reform, Housing and Urban Development Act 1993.
  - (iii) That other circumstances exist which make it just and convenient to appoint a manager.
- 8. The preliminary notice set out the matters on which the Applicant relied to establish the above grounds and the steps required to remedy those matters. The Applicant states that the grounds have not been remedied.
- 9. On 8 January 2025 the Applicant made an application to the Tribunal under Section 24 of the Act, the application largely repeating the content of the preliminary notice.
- 10. On 14 January 2025 the Tribunal issued directions for the conduct of the application preparatory to an inspection of the property and final hearing.
- 11. The Tribunal were provided with a hearing bundle extending to 168 electronic pages. References in this determination to page numbers in either bundle are indicated as [].
- 12. These reasons address in summary form the key issues raised by the Applicant and the response of the first Respondent. The reasons do not recite each point referred to in submissions but concentrate on those issues which, in the Tribunal's view, are critical to this decision. In writing this decision the Chairman has had regard to the Senior President of Tribunals Practice Direction Reasons for Decisions, dated 4 June 2024.

# **Relevant Legislation**

- 13. Section 24 of the act provides (so far as material)
  - (1) the appropriate Tribunal may, on an application for an order under this section, by order (whether interlocutory or final) appoint a manager to carry out in relation to any premises to which this Part applies –
    - (a) such functions in connection with the management of the premises, or
    - (b) such functions of a receiver,

or both, as the Tribunal thinks fit.

- (2) The appropriate Tribunal may only make an order under this section in the following circumstances, namely
  - (a) where the tribunal is satisfied -
    - (i) that any relevant person either is in breach of any obligation owed by him to the tenant under his tenancy and relating to the management of the premises in question or any part of them or (in the case of an obligation dependent on notice) would be in breach of any such obligation but for the fact that it has not been reasonably practicable for the tenant to give him the appropriate notice, and
    - (ii) .....
    - (iii) That is just and convenient to make the order in all the circumstances of the case;
  - (ab) where the tribunal is satisfied -
  - (b) where the tribunal is satisfied that other circumstances exist which make it just and convenient for the order to be made.

### **Inspection**

- 14. The Tribunal inspected the property on the day of the hearing and prior to the hearing itself. The inspection commenced at 10.00am and lasted some thirty minutes. The weather was dry and bright.
- 15. At the commencement of the inspection, the Applicant and her solicitor, Mr Coleman were present. Mr John, the proposed Manager, also attended. Approximately ten minutes into the inspection, Mr Semmakie, the Respondent's representative, arrived. The Chairman briefed Mr Semmakie on what had been observed thus far and temporarily paused the inspection to allow him to view the same.
- 16. The inspection commenced at the front of the building.
- 17. The building is of traditional masonry construction, part rendered, with a dormer roof to the front and a single storey flat roof extension to the rear.
- 18. Upon entering the Applicant's flat, the Tribunal were directed to the rear bedroom, where extensive water staining was observed on the ceiling, including directly above a bed. Visible mould growth was also present on the ceiling. Additionally, a section of the ceiling had been removed, exposing the underlying timbers.
- 19. The Tribunal was then directed to the rear of the building, where it was observed that the structure is of painted masonry construction. The external paintwork had deteriorated significantly, exposing the underlying brickwork in several areas. Vertical cracking was noted in the brickwork,

and several rainwater goods were observed to have fallen into disrepair.

20. The Tribunal was subsequently granted access to the flat located directly above the Applicant's. During the inspection, we were shown the balcony, which had been covered with plastic sheeting. The sheeting was partially lifted to allow for examination. The balcony brickwork exhibited signs of spalling and vertical cracking, and appeared to be in need of redecoration. Portions of a supporting steel beam, said to be delaminating, were exposed. The surface of the flat roof surface was also observed during the inspection.

# **The Hearing**

- A hearing, held at Brighton Tribunal Hearing Centre, followed on the same day as the inspection. Ms Reeves attended in person and was represented by her solicitor, Mr Coleman. The Respondent was represented by its sole Director, Mr Semmakie. Mr Johns, the nominated Manager, was also in attendance. The hearing concluded at approximately 3.06pm.
- 22. The Tribunal is grateful to all who attended for their assistance in this matter.
- 23. The hearing was recorded and such stands as a record of proceedings.

# The Applicant's Case

# The first requirement

- 24. The Applicant stated that, in 2008, the building was in a good state of repair, the exterior freshly painted and the property generally well maintained. At that time, communication with Mr Semmakie was relatively efficient. However, over the following decade, the Respondent became increasingly slack in issuing demands for ground rent, building insurance and repair costs. As a result, the Applicant frequently had to chase Mr Semmakie for cost notifications in order to manage her finances effectively and for copies of insurance documentation. The Applicant became increasingly concerned at the lack of any maintenance schedule or plan of cyclical works to the building, and that no formal service charge demands were issued, nor were any requests made for contributions to a maintenance or reserve fund.
- 25. As a consequence of years of inadequate management and maintenance, the property fell into disrepair, leading to repeated incidents of water ingress into the Applicant's flat. This ongoing issue has adversely affected the Applicant's use and enjoyment of her home.
- 26. In July 2022, Mr Semmakie agreed to the Applicant's proposal to appoint an independent Manager. However, despite both parties recommending a Manager, no appointment was ultimately made. Communication between the parties thereafter deteriorated.
- 27. In October 2022, the flat roof at the rear of the building was replaced by a contractor appointed and assisted by Mr Semmakie. However, water ingress into the Applicant's flat persisted. Although further repairs were

undertaken by the same contractor between July and October 2023, by November 2023 new signs of water staining had appeared within the flat. Remedial works identified in independent reports commissioned by the Applicant were dismissed by Mr Semmakie as not urgent.

- 28. In April 2024, Mr Semmakie eventually instructed a qualified roofing contractor to carry out works of repair. Despite this, water ingress has continued, resulting in further damage to the Applicant's home and ongoing distress.
- 29. Since May 2024 the Respondent has failed to respond to eleven emails sent by the Applicant concerning the matter.
- 30. Matters relied upon by the Applicant are as follows:

#### Breach of the lease

- i. Clause 5(2) failure to produce a copy of the insurance policy and receipt for the last premium to the Tenant.
- ii. Clauses 5(4)(i) to 5(4)(iii) failure to keep the main structure, load bearing walls and roof in repair.
- iii. Clause 5(5) failure to decorate the exterior of the building.
- iv. Fourth Schedule of the lease failure to provide certified service charge accounts each year.

#### Breach of the RICS Service Charge Residential Management Code 3rd Edition

- i. Paragraph 7.5 Reserve funds no reserve fund is in place and no plans to do so, despite the lease making provision for this.
- ii. Paragraph 7.7 Demanding service charges the Respondent has not demanded service charges for several years and has no plans to do so.
- iii. Paragraph 7.10 Accounting for service charges the Respondent has not demanded service charges for several years and runs the maintenance of the building on an extremely casual basis, impacting the living conditions of the tenant.
- iv. Paragraph 8.3 Risk assessments none have been carried out or provided to the tenant.
- v. Paragraph 8.4 Fire Risk Assessments none have been carried out or provided to the tenant.
- vi. Paragraph 8.5 Control of asbestos no report has been carried out or provided to the tenant.
- vii. Electrical equipment no report has been carried out or provided to the tenant.
- viii. Paragraph 9.3 Planned and cyclical works the Respondent has failed to put in place any maintenance plan for the building or provide this to the tenant. There are no regular inspections of the building or proposals in place to remedy any of the disrepair issues set out in the s.22 Notice. The tenant's flat continues to suffer water ingress.
  - ix. Paragraph 9.9 Consultation requests for maintenance have historically been ignored or resulted in the Respondent undertaking building work themselves, to an unsatisfactory standard.
  - x. Paragraph 10.2 Selection, approval and tendering the Respondent undertakes works themselves rather than using experienced builders with proper tools, insurance and guarantees.

### 'Other matter relied upon':

- i. Communications require constant chasing by the tenant and there has been no formal management in place since the tenant acquired the flat in 2008.
- ii. The rear of the building and leaking roof continues to be a significant issue for the tenant.
- iii. The value of the tenant's property has deteriorated due to the inertia of the Respondent with regards to management of the building.

### The Respondent's case

- 31. The Respondent is a marketing and technology consultancy company, owning a single freehold comprising 91, 93 and 95 May Road. The building was purchased in 2006/07, refurbished and each flat sold on a long lease. Mr Semmakie, Director of the Respondent company, retained the long lease interest in Flat 93.
- 32. The Respondent experienced difficulties in engaging with the lessee of Flat 95, who splits her time between the UK and France.
- 33. The Respondent admits that the service charge accounts are overdue. However, they state that the Applicant has not been prejudiced by this as Mr Semmakie has funded the insurance, maintenance and repairs pending issuing service charge demands. [100]
- 34. The Respondent agrees that an independent Manager, acceptable to the Applicant, should be appointed due to the decline in health and personal circumstances of the Respondent's sole Director, Mr Semmakie. [101]
- 35. The Respondent admits that the building needs extensive maintenance to the rear and that the main roof is at the end of its life and in need of replacement. The Respondent also admits that the experience of a qualified Manager is required to navigate statutory consultation requirements and implement a schedule of works. [101]
- 36. The Respondent states that "Given the increasing complexities in managing the building, including financial administration, repair works, and communication difficulties, the Respondent recognizes (sic) than an independent manager is now essential to ensure structured management and long-term property upkeep. The festive period limited the Respondent's ability to source alternative managers." [101]
- 37. In mitigation, the Respondent asserts that they were willing to engage in alternative dispute resolution. However, the Tribunal advised that the matter was not suitable for mediation. Furthermore, the Respondent states their intention to fully co-operate with both the Tribunal and the appointed Manager to ensure a smooth transition.
- 38. Whilst supporting the appointment of a Tribunal-appointed Manager, the Respondent considered it necessary to refute certain claims made by the Applicant. In particular, Mr Semmakie disputes the allegation of a complete failure in management or an unwillingness to engage. He asserts that he has made multiple efforts over the years to involve both the

Applicant and the third lessee in discussions concerning property management, repairs and financial matters. These efforts include the 2022 agreement to explore the appointment of a suitable Manager and various repair works undertaken by the Respondent. Furthermore, since 2021, due to a decline in his health and changes in personal circumstances, the Respondent invited the Applicant to take an active role in managing the building — an offer which was declined. He also proposed that the Applicant and the third lessee consider purchasing the freehold interest.

- 39. The Respondent notes that he has only charged a nominal annual fee for his management services.
- 40. During oral submissions and under cross examination by Mr Coleman, Mr Semmakie acknowledged that he had failed to manage the building in accordance with the terms of the lease and the RICS Code of Practice. However, he argued that the Applicant had not suffered any actual prejudice, suggesting instead that the absence of works and service charge demands had resulted in financial savings that ultimately benefitted the Applicant. Mr Semmakie further stated that, due to his personal circumstances, he was "incapable of being in control" of the building.

# **The Tribunal's Findings**

- 41. The Tribunal finds that, contrary to Clause 5(4) of the lease, the Respondent has failed to keep the main structure of the building and roof in good repair. This finding is supported by observations made during the inspection, which revealed multiple areas of significant disrepair affecting the building's structure. Notably, there was clear evidence of substantial water ingress within the Applicant's flat. The Tribunal also finds a general absence of routine maintenance and failure to comply with fire safety requirements.
- 42. The Tribunal finds that, contrary to Clause 5(2) of the lease, the Respondent failed to provide the Applicant with a copy of the building's insurance policy and a receipt for the premium, despite the Applicant's request. This failure is not disputed by the Respondent.
- 43. The Tribunal finds that, contrary to the Fourth Schedule of the lease, the Respondent did not provide certified service charge accounts each year. This failure is not disputed by the Respondent.
- 44. The Tribunal finds that, contrary to Clause 5(5) of the lease, the exterior of the building requires decoration. This failure is acknowledged and is not disputed by the Respondent.
- 45. The Tribunal finds multiple breaches of the RICS Service Charge Residential Management Code 3<sup>rd</sup> Edition, notably, failure to consider a reserve fund; failure to demand service charges; failure to account for costs incurred; failure to commission fire risk assessments, risk assessments, electrical testing or to provide a control of asbestos report; and a failure to provide a maintenance plan for the building.
- 46. The Tribunal finds that the Respondent has failed to demonstrate any structured or consistent approach to the management or maintenance of

the property.

- 47. The Tribunal finds that the Respondent has not demonstrated a clear understanding of their responsibilities as freeholder. Instead, in oral submissions, the Respondent repeatedly attributed the lack of property management and maintenance to a collective failure on the part of all lessees.
- 48. The Tribunal finds that the Respondent supports the appointment of a Manager, particularly in light of Mr Semmakie's acknowledged inability to personally fulfil the responsibilities associated with the role.

## Summary on the first requirement

- 49. In relation to the first requirement of section 24(2), for the reasons stated in the preceding paragraphs, the Tribunal is satisfied that the Applicant has established a breach by a relevant person of an obligation owed by that person to the tenant under their tenancy and which relates to management of the premises. The threshold of the first requirement is satisfied by establishing a single relevant breach.
- 50. Having determined that there has been a relevant breach of the lease, it is unnecessary for the Tribunal to consider any additional 'other circumstances' relied upon by the Applicant to support the appointment of a Manager.

### The second requirement

- 51. Turning to the second requirement of section 24(2), the Tribunal must be satisfied that it is just and convenient to make the order (in all the circumstances of the case). Whereas the threshold of the first requirement is reasonably easily met, the threshold of the second requirement is rather higher. Tribunals have repeatedly stressed that the appointment of a manager is a remedy of last resort.
- 52. Against that background, in determining whether it is just and convenient to make an order the Tribunal considered a number of factors.
- The Tribunal is satisfied that the Applicant has established breaches by the Respondent of obligations owed under the terms of the lease. Moreover, there is compelling evidence that the relationship between the Applicant and Respondent has reached an impasse regarding the management and maintenance of the building. This breakdown has manifested in ongoing disrepair and deterioration, which, if left unaddressed risks escalating into more serious structural issues. The Respondent has demonstrated an inability to implement a programme of repair and maintenance, to issue service charge demands to fund such works in accordance with the lease, or to provide the Applicant with timely access to documentation to which she is entitled.
- 54. In these circumstances, the findings of this Tribunal are that we are satisfied that the circumstances exist which make it just and convenient to make an order for the appointment of a manager of the property in place of the Respondent.

### The Applicant's proposed Manager

- 55. The Applicant proposed that the Tribunal should appoint Mr Graeme John of Godfrey John & Partners as Manager of the property.
- 56. Pursuant to the Tribunal's Directions, Mr John provided a statement indicating his willingness to be appointed as manager of the property and confirmation that he understands the duties and obligations of a Tribunal appointed Manager. [96] Mr John also set out his management plan for the building.
- 57. In his statement Mr John explains that he is a member of The Property Institute and the Royal Institution of Chartered Surveyors and that he is experienced in managing "difficult buildings".
- 58. Mr John has one Tribunal appointment, which was recently extended by two years.
- 59. Mr John has professional indemnity insurance of £2 Million pounds.
- 60. Mr John was guestioned by Mr Semmakie and by the Tribunal.
- 61. Mr John stated that he has approximately fifteen years of experience in residential block management and is supported by a team of back-office staff. He currently manages over 120 blocks, comprising both purpose-built and converted buildings, located across South East England. These blocks range in size from two to fifty flats. Mr John also maintains strong professional relationships with local surveyors and structural engineers.
- 62. Mr John confirmed that he understood he would be accountable to the Tribunal. However, he also expressed his intention to work closely with the lessees, keeping them informed of his plans and actions regarding the management and maintenance of the building.
- 63. Mr John explained that he first inspected the property in September 2024 and has conducted two further visits since. He confirmed that he is aware of the disrepair affecting the building and believes he has developed a sound understanding of the issues involved. He also acknowledged the health and safety requirements applicable to a building of this nature. Mr John stated that his initial priority would be to initiate a Section 20 consultation before commencing the necessary works aimed at restoring the building to a good state of repair.
- 64. Mr John proposed an initial term of three years to allow sufficient time for the completion of remedial works, the undertaking of risk and health and safety assessments, and the re-establishment of effective property management and maintenance practices. He proposed an annual management fee of £1,650 plus VAT, with additional charges applicable for Section 20 major works and other administration charges.
- 65. In response to a judicial question, Mr John stated that service charge funds of £10,000 would be required to commence the necessary works. Mr Semmakie queried whether this amount would be apportioned equally among the three lessees or demanded in accordance with the proportions

set out in each lease.

66. Mr Semmakie raised no objection to the appointment of Mr John as Manager.

# **Tribunal's findings and determination**

- 67. The Tribunal carefully considered whether it was appropriate to appoint Mr John as Manager. The panel was impressed by Mr John's clear understanding of the building's requirements and of his responsibilities as a Tribunal-appointed Manager, including compliance with relevant statutory requirements. While not determinative on its own, the Tribunal also noted positively that Mr John's first appointment as a Tribunal Manager had been extended for an additional term, which further supported his suitability for the role.
- 68. Mr John satisfied the Tribunal that he possesses the knowledge, expertise and experience necessary to undertake this appointment, and that he is supported by the resources of a well-staffed and capable office.
- 69. The Tribunal finds that Mr John's proposed fees are reasonable, given the scope and complexity of the work required. The Tribunal also notes that the responsibilities of a Tribunal-appointed Manager are more rigorous than those of a privately appointed Manager, further justifying the proposed fee structure.
- 70. Having considered all of the evidence before us, the Tribunal were satisfied that Mr John would be a suitable appointment.
- 71. Turning next to any additional terms to be included within the Order. It is evident that the building requires urgent remedial works, which should commence at the first opportunity. To facilitate this, Mr John will require access to funds. For that purpose, we include in our Order a provision requiring each of the three lessees to make an interim payment to the Manager which, collectively, will amount to £10,000. The Manager shall also be entitled to request further interim payments, providing that a supporting budget is provided to the parties.
- 72. The initial sum of £10,000 is to be apportioned among the lessees in accordance with the proportions set out in their respective leases. As the Tribunal has not been provided with copies of all leases, it relies on the advice of Mr Semmakie regarding the apportionment, as set out below. Should Mr John find the proposed apportionment to be inaccurate, he may refer the matter back to the Tribunal for further direction.

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91 May Road – 35%
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93 May Road - 33%

95 May Road - 32%

73. The management contract is of a complex nature and will necessitate a significant amount of preparatory work. In recognition of this, the Order shall include a management set up fee of £500, collectively payable to the Manager by the three lessees. This fee shall be apportioned among the lessees in the same proportions as set out in paragraph 72 above.

- 74. Mr John shall be appointed as Manager for a term of three years. His annual management fee shall increase by 5% on each anniversary of the commencement date of the Tribunal's Order.
- 75. In conclusion, the Tribunal finds that a manager should be appointed and appoints Mr Graeme John on the terms of the attached Order.
- 76. For the avoidance of any doubt whatsoever, the Tribunal emphasises that Mr John's role does not extend to resolving any outstanding accounting or service charge matters arising from the Respondent's previous management. Mr John is to commence his duties with a clean slate and is not to be involved in the recovery of historic service charges or the preparation of historic year-end accounts. Responsibility for such matters remains solely with the Respondent.

#### **Fees**

77. The Applicant applied for reimbursement of the Tribunal application fee and hearing fee. In light of the outcome of this application and having regard to Rule 13(2) of the Tribunal Rules 2013, we consider that this is an appropriate case in which to order the Respondent to reimburse the Applicant the application and hearing fee totaling £330.00. This sum must be paid to the Applicant's solicitor within 28 days of this decision.

#### **Costs**

- 78. On 28 February 2025 the Applicant applied to the Tribunal for an order under Rule 13(1) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 that the Respondent pays the Applicant's costs of this application due to the alleged total failure of the Respondent to reply to the preliminary Notice and engage in this process until after proceedings were issue.
- 79. A Statement of Costs totaling £2,699.40 inclusive of VAT was provided.
- 80. The Tribunal heard oral submissions from both parties at the end of the substantive hearing.
- 81. The Tribunal intends addressing the costs application in brief.
- 82. In determining the costs application, the Tribunal firstly reminded itself of the guidance handed down in the matter of *Willow Court Management* (19850 ltd v Alexander [2016], in the matter of Lea v GP Ilfracombe Management Co Limited [2024] and the matter of Ridehalgh v Horsefield & Anr [1994], and in particular that unreasonable conduct need not involve vexatious behaviour. Although unreasonable conduct may include such conduct, it is not a requirement.
- 83. Secondly, that in deciding whether or not there has been unreasonable conduct, and if so, whether an adverse order for costs should be made, is a fact specific exercise. Although sufficient guidance in respect of Rule 13(1)(b) had been set out in *Willow Court* and *Ridehalgh*, a good practical rule is for the Tribunal to ask: would a reasonable person acting reasonably have acted in this way? Is there a reasonable explanation for the conduct in issue?

- 84. In *Willow Court* the ambit of Rule 13(1) was considered in some detail. It determined that Tribunals should approach a Rule 13 costs application in three stages:
  - (1) The Tribunal must determine that there has been "unreasonable conduct".
  - (2) If there has been unreasonable conduct, then the Tribunal must consider whether, in the light of that unreasonable conduct, it ought to exercise its discretion to make an order for costs.
  - (3) If so, then it must consider what the term of any costs order should be
- 85. Turning to the specific facts of this case, the Respondent has acknowledged being overwhelmed by the demands and complexities involved in managing and maintaining the building, challenges that were further exacerbated by health issues and significant changes in his personal circumstances.
- 86. The Tribunal has regard to the undisputed facts that the Respondent indicated that they were willing to engage in mediation and that, in a bid to progress matters, offered the Applicant the opportunity either to assume responsibility for the management of the building or to consider purchasing the freehold jointly with the third lessee. Additionally, the Respondent explored with the Applicant the option of appointing an independent managing agent and even identified a manager he deemed suitable, although this proposal was not pursued further. Finally, that the Respondent did undertake some remedial works to the building, albeit that not all works were successful.
- 87. Taking these facts into account, the Tribunal does not find that the Respondent's conduct was unreasonable. While it is clear that he was out of his depth in managing the situation and failed to communicate with the Applicant in a timely manner, he did not entirely abdicate his responsibilities.
- 88. Accordingly, the Tribunal is not satisfied that the costs application meets the threshold of the first stage of the test in *Willow Court*. The costs application is therefore dismissed.

#### **RIGHTS OF APPEAL**

- 1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a> to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for 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 to proceed.
- 4. The application for permission to appeal must 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.