



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

Case reference : LON/00AN/LAM/2024/0607

Property : 27 Tournay Road, London SW6 7UG

Applicants : Michael Moutoussis and Pamela Jane Moutoussis

Representative : Dilan Deeljur of Counsel instructed by Bishopsgate Law

Respondents : Federica Maranca and Sienna Katherine Kilifi Dennis

Representative : Timothy Clarke of Counsel instructed by Rise Legal

Type of application : Appointment of Manager

Tribunal members : Judge P Korn
Mr S Mason FRICS

Venue : 10 Alfred Place, London WC1E 7LR

Date of hearing : 8 May 2025

Date of decision : 27 May 2025

DECISION

Description of hearing

The hearing was a face-to-face hearing.

Decisions of tribunal

- (1) In accordance with section 24(1) Landlord and Tenant Act 1987 Mr Martin Kingsley of K & M Property Management Ltd (“**the Manager**”) is appointed as manager of the property known as 27 Tournay Road, London SW6 7UG.
- (2) The order shall begin on the date of this decision, 27 May 2025, and end on 26 May 2028. Any application for an extension must be made prior to the date of expiry of the order. 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 terms attached to this order;
 - (b) The respective obligations of the landlord and the leases by which the flats at the Property are demised; and
 - (c) The duties of a 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 and approved by the Secretary of State pursuant to section 87 Leasehold Reform Housing and Urban Development Act 1993.

Background

1. The Applicants seek an order appointing Mr Martin Kingsley of K & M Property Management Ltd as manager of the Property under section 24 of the Landlord and Tenant Act 1987 (“**the 1987 Act**”).
2. The Property is a mid-terrace Victorian building split into 3 residential flats.
3. Prior to issuing their application for the appointment of a manager, the Applicants served a preliminary notice on the Respondents under section 22 of the 1987 Act. The notice is dated 3 February 2025.
4. The Applicants have a long leasehold interest in the ground floor flat. Sienna Dennis (“**Ms Dennis**”) and her brother Oscar Dennis have a long leasehold interest in the first floor flat. Federica Maranca (“**Ms Maranca**”) has a long leasehold interest in the second floor flat.
5. The freehold interest in the Property is owned jointly by (a) the Applicants, (b) Ms Dennis and (c) Ms Maranca. Essentially, therefore, the Applicants in their capacity as leaseholders of the ground floor flat are applying for an order appointing Mr Kingsley as manager in place of themselves and the other joint freeholders.

The parties’ respective positions on the application

6. In their application for an order the Applicants rely on sub-sections 24(2)(a)(i) and 24(2)(a)(iii) of the 1987 Act, which read as follows:

“(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) *[Note: this sub-paragraph has been repealed]*

(iii) that it is just and convenient to make the order in all the circumstances of the case.”

7. From their initial written submissions it was not wholly clear whether the Respondents accepted without qualification that a manager should be appointed. However, both in his ‘outline submission’ dated 6 May 2025 and at the hearing on 8 May 2025 Counsel for the Respondents stated unequivocally that the need to appoint a manager was agreed. He also stated that the Respondents accepted that Mr Kingsley would be a suitable manager.

Supporting evidence

8. As noted by the tribunal at the hearing, the decision as to whether to appoint a manager is one that has to be made by the tribunal itself; it cannot simply be agreed between the parties. Furthermore, the 1987 Act sets out criteria as to when a manager can be appointed and the tribunal needs to be satisfied that the relevant criteria have been met.
9. In his skeleton argument, Mr Deeljur cross-refers to the parties’ respective witness statements and states that it is apparent that there has been a breakdown in the management of the Property such that the Applicants and the Respondents are jointly in breach of their obligations under the leases in their capacity as joint landlord. There are issues relating to a general lack of maintenance and outstanding repairing issues. Most importantly, the parties as joint landlord are not dealing with structural damage issues because of differing opinions as to how to proceed.
10. Specific examples of the landlord’s breaches of obligation and/or of breakdowns in communication have been given. Ritzi Construction, a surveyor hired by Ms Maranca, has suggested that the building may be suffering from subsidence, but the Applicants’ experts disagree with this assessment. The Applicants state that the Respondents initially agreed to share in the cost of a report from a tree expert, to ascertain whether the tree in the Applicants’ garden could be causing structural damage, but that the Respondents have since refused to contribute. The Applicants state that they have been excluded from management decisions such as instructing a common lawyer to deal with an insurance claim. The Applicants also state that the Respondents put forward unrealistic quotes for work needing to be carried out on the Property and then refused to consider alternative contractors. They further state that Ms Maranca carried out repairs to the roof without the knowledge or consent of the Applicants. In relation to a wall that needed repairing, the Applicants state that after an initial failure to respond the Respondents agreed to a repair but then withdraw their agreement. The

Applicants also state that the Respondents refused to sign a Deed of Co-operation and Contribution drafted by the parties' common lawyer.

11. The Respondents accept that there has been a breakdown of communication but do not agree with the Applicants' narrative as to who is responsible. The Respondents have provided lengthy witness statements giving their own perspective on the details, but there is at least some common ground between the parties in that (for example) in paragraph 6 of their third witness statement the Respondents state that *"the property has been poorly maintained over many years with no funded budget ... to enforce the ... freeholders obligations, carry out maintenance works ..."*. In other words, there is some agreement that there have been breaches of the landlord's management obligations.
12. At the hearing, Mr Deeljur for the Applicants confirmed that there was a dispute about subsidence and about the extent of any structural problems as well as there being other items of disrepair in dispute and that this was coupled with a lack of agreement as to how the problems can now be resolved. He also referred the tribunal to the breaches listed in the section 22 notice. Mr Clarke for the Respondents agreed that there were significant problems and accepted that these amounted to breaches of the (joint) landlord's management obligations. He referred the tribunal to the survey report in the hearing bundle (page 120) and to the photographs showing dangerous structural damage (page 135).

Cross-examination of Mr Kingsley

13. Mr Kingsley was asked about his proposed fee. He acknowledged that it sounded slightly high when calculated per unit, but he noted that there were only 3 flats and felt that the overall fee was fair for the work needed.
14. In answer to a specific question Mr Kingsley said that he was prepared to reduce his fee from 10% to 5% in relation to major works in circumstances where he was employing an outside surveyor.
15. Mr Kingsley felt that 3 years was an appropriate length of time for his appointment. He was asked various other questions regarding what he understood to be the key pressing issues, what experience he has of managing very small blocks, whether he would change insurers, and what his general approach was to acting as a tribunal-appointed manager.

Terms of any order

16. Written submissions have been made on the terms of the order, but the points made in those submissions have effectively been superseded by a constructive discussion at the hearing and then by further discussions between the parties and Mr Kingsley. Following those discussions the parties have prepared a revised draft management order agreed between them subject to the tribunal's approval.

Analysis of the tribunal

Whether in principle an order should be made

17. We note the contents of the Applicants' preliminary notice, and its validity has not been questioned by the Respondents.
18. Under section 24(2) of the 1987 Act the tribunal may only make an order in one or more of the circumstances listed in that sub-section. As noted by the Applicants, the circumstances listed in that sub-section include, in section 24(2)(a), "*where the tribunal is satisfied 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 that it is just and convenient to make the order in all the circumstances of the case*".
19. The parties are agreed not only that they are in dispute but also that the landlord is in breach of various management obligations under the leases. Having considered the evidence of breaches and of the extent of the breakdown between the parties we are satisfied that the landlord is in breach of obligations by it to the leaseholders under their respective tenancies and relating to the management of the Property and that it is just and convenient to appoint a manager in all the circumstances of the case.

Whether to appoint Mr Kingsley

20. We have considered the documentation provided by or in relation to Mr Kingsley and have also considered the points arising out of the cross-examination of Mr Kingsley at the hearing.
21. Mr Kingsley came across well at the hearing, and we note that his appointment is not opposed by the Respondents. Looking at all the available information as a whole, we are satisfied that it would be appropriate to appoint Mr Kingsley as manager.

The terms of the order

22. The Applicants together with Mr Kingsley have proposed a 3-year term, whilst the Respondents have expressed a preference for limiting the term to 2 years. Having weighed up the matter and as explained at the hearing, we favour a 3-year term in the circumstances of this case. The breakdown between the parties is serious and longstanding, and it is clear that there are some major issues (including structural issues) that need to be attended to. In our view it is not realistic to work on the assumption that there will no longer be any need for a tribunal-appointed manager after just 2 years, given the nature of the issues and the state of the relationship between those who are jointly the landlord. Instead, we consider 3 years to be a more appropriate timeframe. If towards the end of the first 2 years matters are progressing very well then it will still be open to either party or to both parties jointly and/or to the appointed manager to apply for an early discharge.
23. We are satisfied that Mr Kingsley's fee is reasonable in the circumstances of this particular case.
24. As regards the other proposed terms, these generally follow the tribunal's template. To the extent that they slightly differ from the template we confirm – having discussed the wording with the parties at the hearing – that we are

satisfied with the revised wording and have just corrected a small number of typographical errors.

Costs

25. No cost applications have yet been made but the Applicants have indicated that they might wish to make one or more cost applications and further directions have been issued with regard to the time limits for written submissions on costs.

Name: Judge P Korn

Date: 27 May 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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 Tribunal at the regional office which has been dealing with the case.

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.

If the application is not made within the 28-day time limit, such application must include a request for 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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

MANAGEMENT ORDER

Interpretation

1. In this Order:

“The Property” means the flats and other premises known as **27 Tournay Road, London, SW6 7UG** and registered at HM Land Registry under title number **BGL5254** and shall include the building, amenity space (including the courtyard), passages, common parts, fire escape and basement, storage rooms, electricity and power rooms; and all other parts of the Property.

“The Landlord” shall mean **Michael Moutoussis, Pamela Moutoussis, Federica Maranca and Sienna Katherine Kilifi Dennis** or their successors in title to the reversion immediately expectant upon the Leases.

“The Tenants” shall mean the proprietors for the time being of the Leases whether as lessee or under-lessee and “Tenant” shall be construed accordingly.

“The Leases” shall mean all leases and/or underleases of flats in the Property.

“The Manager” means **Martin Kingsley**.

“The Tribunal” means the First-tier Tribunal (Property Chamber)

ORDER

2. In accordance with section 24(1) of the Landlord and Tenant Act 1987 (“the Act”) **Martin Kingsley of K & M Property Management Ltd** is appointed as Manager of the Property.
3. The Manager’s appointment shall start on **27 May 2025** (“the start date”) and shall end on **26 May 2028** (“the end date”).
4. For the avoidance of doubt this Order supplements but does not displace covenants under the Leases and the Tenants remain bound by them. Where there is a conflict between the provisions of the Order and the Leases, the provisions of the Order take precedence.

5. The Manager shall manage the Property in accordance with:
 - (a) the terms of this Order and the Directions set out below;
 - (b) the respective obligations of the Landlord and the Tenants under the Leases whereby the Property is demised by the Landlord (save where modified by this Order);
 - (c) the duties of a Manager set out in the Service Charge Residential Management Code (“the Code”) (3rd Edition) or such other replacement code published by the Royal Institution of Chartered Surveyors (“RICS”) and approved by the Secretary of State pursuant to section 87 Leasehold Reform Housing and Urban Development Act 1993 (whether the Manager is a Member of the RICS or not); and
 - (d) the provisions of sections 18 to 30 of the Landlord and Tenant Act 1985.
6. From the date this Order comes into effect, no other party shall be entitled to exercise a management function in respect of the Property where the same is the responsibility of the Manager under this Order.
7. The Tribunal requires the Manager to act fairly and impartially in the performance of their functions under this Order and with the skill, care and diligence to be reasonably 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.
8. The Manager or any other interested person may apply to vary or discharge this Order pursuant to the provisions of section 24(9) of the Act.
9. The Tribunal may, upon receipt of information or notification of change of circumstances, issue directions to the parties, or any other interested person, concerning the operation of this Order, both during its term, and after its expiry.
10. Any application to extend or renew this Order **must** be made before the end date, preferably at least three months before that date, and supported by a brief report of the management of the Property during the period of the appointment. Where an application for an extension or renewal is made prior to the end date, then the Manager’s appointment will continue until that application has been finally determined.
11. The Manager is appointed to take all decisions about the management of the Property necessary to achieve the purposes of this Order. If the Manager is unable to decide what course to take, the Manager may apply to the Tribunal for further directions, in accordance with section 24(4), Landlord and Tenant Act 1987. Circumstances in which a request for such directions may be appropriate include, but are not limited to:

- (a) a serious or persistent failure by any party to comply with an obligation imposed by this Order;
- (b) circumstances where there are insufficient sums held by the Manager to discharge their obligations under this Order and/or for the parties to pay the Manager's remuneration; and
- (c) where the Manager is in doubt as to the proper construction and meaning of this Order.

Contracts

- 12. Rights and liabilities arising under contracts, including any contract of insurance and/or any contract for the provision of any services to the Property, to which the Manager is not a party, but which are relevant to the management of the Property, shall upon the date of appointment become rights and liabilities of the Manager, save that:
 - (a) the Landlord shall indemnify the Manager for any liabilities arising before commencement of this Order; and
 - (b) the Manager has the right to decide, in his absolute discretion, the contracts in respect of which they will assume such rights and liabilities, with such decision to be communicated in writing to the relevant parties within 56 days from the date this order.
- 13. The Manager may place, supervise and administer contracts and check demands for payment of goods, services and equipment supplied for the benefit of the Property.

Pre-contract enquiries

- 14. The Manager shall be responsible for responding to pre-contract enquiries regarding the sale of a residential flat at the Property.

Legal Proceedings

- 15. The Manager may bring or defend any court or tribunal proceedings relating to management of the Property (whether contractual or tortious) and, subject to the approval of the Tribunal, may continue to bring or defend proceedings relating to the appointment, after the end of their appointment.

16. Such entitlement includes bringing proceedings in respect of arrears of service charge attributable to any of the Flats in the Property, including, where appropriate, proceedings before this Tribunal under section 27A of the Landlord and Tenant Act 1985 and in respect of administration charges under schedule 11 of the Commonhold and Leasehold Reform Act 2002 ("2002 Act") or under section 168(4) of the 2002 Act or before the Courts and shall further include any appeal against any decision made in any such proceedings.
17. The Manager may instruct solicitors, counsel, and other professionals in seeking to bring or defend legal proceedings and is entitled to be reimbursed from the service charge account in respect of costs, disbursements or VAT reasonably incurred in doing so during, or after, this appointment. If costs paid from the service charge are subsequently recovered from another party, those costs must be refunded to the service charge account.

Remuneration

18. The Tenants are responsible for payment of **100%** of the Manager's fees, which are payable under the provisions of this Order, but which may be collected under the service charge mechanisms of their Leases.
19. The sums payable are:
 - (a) an annual fee of **£3,000** per annum for performing the duties set out in paragraph 3.4 of the RICS Code (so far as applicable);
 - (b) any additional fees contained in a schedule to this Order for the duties set out in paragraph 3.5 of the RICS Code (so far as applicable); and
 - (c) VAT on the above fees.

Service Charge

20. The Manager shall collect all service charges and insurance premium contributions payable under the Leases and under this Management Order, in accordance with the terms and mechanisms in the Leases.
21. Whether or not the terms of any Lease so provide, the Manager shall have the authority to:

- (a) demand payments in advance and balancing payments at the end of the accounting year;
 - (b) establish a sinking fund to meet the Landlord's obligations under the Leases;
 - (c) allocate credits of service charge due to Tenants at the end of the accounting year to the sinking fund;
 - (d) alter the accounting year;
 - (e) consider and determine any future claims, disputes or issues arising between the tenants of the Building, including (but not limited to) matters relating to the use, maintenance or enjoyment of the flats or common parts, or contributions to shared expenses. The Manager may make such determination acting reasonably and independently, or may appoint a suitably qualified independent surveyor or other professional to do so on their behalf. Any decision made under this clause shall, in the absence of manifest error, be final and binding on all Tenants. This is without prejudice to any existing claims, disputes or issues between the Landlord and/or the Tenants which shall be determined or resolved between the relevant parties without reference to the Manager.
22. The Manager may set, demand and collect a reasonable service charge to be paid by the Landlord (as if he were a lessee), in respect of any unused premises in part of the Property retained by the Landlord, or let on terms which do not require the payment of a service charge.
23. To ensure that the Manager has adequate funds to manage the Property, the Manager may immediately collect **£2,000** from each Tenant. This sum is payable within 28 days of the order.
24. The Manager is entitled to recover through the service charge the reasonable cost and fees of any surveyors, architects, solicitors, counsel, and other professional persons or firms, incurred by them whilst carrying out their functions under the Order.

Administration Charges

25. The Manager may recover administration charges from individual Tenants for their costs incurred in collecting service charges and insurance which includes the costs of reminder letters, transfer of files to solicitors and letters before action. Such charges will be subject to legal requirements as set out in schedule 11 of the Commonhold and Leasehold Reform Act 2002. The Details of the fees charged are set out in the Appendix of additional fees.

Disputes

26. In the event of a dispute regarding the payability of any sum payable under this Order by the lessees, additional to those under the Leases (including as to the remuneration payable to the Manager and litigation costs incurred by the

Manager), a Tenant, or the Manager, may apply to the Tribunal seeking a determination under section 27A of the Landlord and Tenant Act 1985 as to whether the sum in dispute is payable and, if so, in what amount.

In the event of a dispute regarding the payability of any sum payable under this Order by the landlord, other than a payment under a Lease, the Manager or the Landlord may apply to the Tribunal seeking a determination as to whether the sum in dispute is payable and, if so, in what amount.

27. Should a dispute under paragraph 21(e) require determination the Manager will decide both fairly and objectively and will communicate any decision initially orally and/or by email. If a Tenant requests a further response in writing in relation to such decision then a further reasonable charge will be made in accordance with the agreed Schedule of Charges below at the Manager's discretion.
28. In the event of dispute regarding the conduct of the management of the Property by the Manager, any person interested may apply to the Tribunal to vary or discharge the order in accordance with section 24(9) of the Landlord and Tenant Act 1987.
29. In the event of a dispute regarding the reimbursement of unexpended monies at the end of the Manager's appointment, the Manager, a Tenant, or the Landlord may apply to the Tribunal for a determination as to what monies, if any, are payable, to whom, and in what amount.

DIRECTIONS TO LANDLORD

30. The Landlord must comply with the terms of this Order.
31. On any disposition, other than a charge, of the Landlord's estate in the Property, the Landlord will procure from the person to whom the Property is to be conveyed, a direct covenant with the Manager, that the said person will (a) comply with the terms of this Order; and (b) on any future disposition (other than a charge) procure a direct covenant in the same terms from the person to whom the Property is to be conveyed.
32. The Landlord shall give all reasonable assistance and co-operation to the Manager in pursuance of their functions, rights, duties and powers under this Order, and shall not interfere or attempt to interfere with the exercise of any of the Manager's said rights, duties or powers except by due process of law.
33. The Landlord is to allow the Manager, and their employees and agents access to all parts of the Property and must provide keys, passwords, and any other documents or information necessary for the practical management of the Property in order that the Manager might conveniently perform their functions and duties, and exercise their powers under this Order.
34. Within **14** days from the date of this Order the Landlord must provide all necessary information to the Manager to provide for an orderly transfer of

responsibilities, to include the transfer of all accounts, books and records relating to the Property and any other information reasonably requested by the Manager.

DIRECTIONS TO MANAGER

35. The Manager must adhere to the terms of the Order above.

Entry of a Form L restriction in the Register of the Landlord's Registered Estate

36. To protect the direction in paragraph **32** for procurement by the Landlord, of a direct covenant with the Manager, **the Manager** must apply for the entry of the following restriction in the register of the Landlord's estate under title no BGL5254

“No disposition of the registered estate (other than a charge) by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be completed by registration without a certificate signed by the applicant for registration or their conveyancer that the provisions of paragraph **32** of an Order of the Tribunal dated 27 May 2025 have been complied with”

Registration

37. The Manager must make an application to HM Land Registry for entry of the restriction referred to in paragraph **37**, within 14 days of the date of this Order.

38. A copy of the Order should accompany the application (unless it is submitted by a solicitor able to make the necessary declaration at Box 8(c) of the RX1 application form). The application should confirm that:

- this is an Order made under the Landlord and Tenant Act 1987, Part II (Appointment of Managers by a Tribunal) and that pursuant to section 24(8) of the 1987 Act, the Land Registration Act 2002 shall apply in relation to an Order made under this section as they apply in relation to an order appointing a receiver or sequestrator of land.
- Consequently, pursuant to Rule 93(s) of the Land Registration Rules 2003, the Manager is a person regarded as having sufficient interest to apply for a restriction in standard Form L or N.

Conflicts of Interest

39. The Manager must be astute to avoid any Conflict of Interest between his duties and obligations under this Order, and his contractual dealings. Where in doubt, the Manager should apply to the Tribunal for directions.

Complaints

40. The Manager must operate a complaints procedure in accordance with, or substantially similar to, the requirements of the Royal Institution of Chartered Surveyors.

Insurance

41. The Manager must maintain appropriate building insurance for the Property and ensure that the Manager's interest is noted on the insurance policy.
42. From the date of appointment, and throughout the appointment, the Manager must ensure that he has appropriate professional indemnity insurance cover in the sum of at least £2 million and shall provide copies of the certificate of liability insurance to the Tribunal, and, upon request, to any Tenant or the Landlord. The Certificate should specifically state that it applies to the duties of a Tribunal appointed Manager.

Accounts

43. The Manager must:
- (a) prepare and submit to the Landlord and the Tenants an annual statement of account detailing all monies receivable, received and expended. The accounts are to be certified by the external auditor, if required under the Leases;
 - (b) maintain efficient records and books of account and to produce for these for inspection, to include receipts or other evidence of expenditure, upon request by the Landlord or a Tenant under section 22 Landlord and Tenant Act 1985;
 - (c) maintain on trust in an interest-bearing account at such bank or building society, as the Manager shall from time to time decide, into which service charge contributions, Insurance Rent, and all other monies arising under the Leases shall be paid; and
 - (d) hold all monies collected in accordance with the provisions of the Code.

Repairs and maintenance

44. The Manager must:
- (a) subject to receiving sufficient prior funds:
 - (i) carry out all repair and maintenance required at the

Property, in accordance with the Landlord's covenants in the Leases and the terms of this Order, including instructing contractors to attend and rectify problems, and is entitled to recover the cost of doing so as service charge payable under the Leases or in accordance with the Order.

- (ii) arrange and supervise any required major works to the Property, including preparing a specification of works and obtaining competitive tenders.
- (b) liaise with all relevant statutory bodies in the carrying out of their management functions under the Order; and
- (c) ensure that the Landlord, and the Tenants, are consulted on any planned and major works to the Property and to give proper regard to their views.

45. The Manager has the power to incur expenditure in respect of health and safety equipment reasonably required to comply with regulatory and statutory requirements.

Reporting

46. By no later than six months from the date of appointment (and then annually) the Manager must prepare and submit a brief written report to the Tenants, and the Landlord, on the progress of the management of the Property up to that date.

End of Appointment

47. No later than 56 days before the end date, the Manager must:

- (a) apply to the Tribunal for directions as to the disposal of any unexpended monies;
- (b) include with that application a brief written report on the progress and outcome of the management of the Property up to that date (a "Final Report"); and
- (c) seek a direction from the Tribunal as to the mechanism for determining any unresolved disputes arising from the Manager's term of appointment (whether through court or Tribunal proceedings or otherwise).

48. Unless the Tribunal directs otherwise the Manager must within two months of the end date:

- (a) prepare final closing accounts and send copies of the accounts and the Final Report to the Landlord and Tenants, who may raise queries

on them within 14 days; and

(b) answer any such queries within a further 14 days.

49. The Manager must reimburse any unexpended monies to the paying parties, or, if it be the case, to any new Tribunal appointed Manager within three months of the end date or, in the case of a dispute, as decided by the Tribunal upon an application by any interested party.

Schedule of Additional Fees

- Annual Management Fee £3,000 Plus VAT for the Property.
- The sum of £300 plus VAT for each consultation notice for the Property under section 20 of the Landlord and Tenant Act 1985 as amended.
- An additional reasonable charge for dealing with solicitors' enquiries payable by the outgoing lessee on a time spent basis.
- The sum of 10% plus VAT of the contract sum in relation to the arrangement and overall responsibility and supervision of major works (requiring consultation under s20 of the Landlord and Tenant Act 1985). Subject to a reduction to 5% plus VAT of the contract sum if an additional surveyor is appointed.
- A charge for any initial work undertaken for major works in accordance with the Schedule of Agreed Fees below.
- The recovery of outstanding service charges shall give rise to an administration charge payable by the defaulting lessee of £25 for the initial reminder letter.
- An additional charge in relation to brokering insurance claims or valuations based on £250 plus VAT per claim.
- A charge for further tasks which fall outside the agreed duties in accordance with the Schedule of Agreed Fees below.
- To be reimbursed in respect of reasonable costs disbursements and expenses to include fees of counsel, solicitors, and expert witnesses.

Schedule of Agreed Hourly Rates

Manager	£175 plus VAT
Senior Property Manager	£125 plus VAT
Property Manager	£100 plus VAT
Office Administrators, other junior staff	£75 plus VAT

