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

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| **Case References** | : | **MAN/00CG/LRM/2024/0003** |
| **Property** | : | **ROYAL RIVERSIDE, 60 PRIESTLEY STREET, SHEFFIELD, S2 4FS** |
| **Applicant** | : | **ROYAL RIVERSIDE RTM CO LTD** |
| **Respondent** | : | **FREE LAND PROPERTY LTD** |
| **Type of Application** | : | **Entitlement to right to manage: section 84(3), Commonhold and Leasehold Reform Act 2002** |
| **Tribunal Members** | : | **Judge A Davies**<br>**J Platt, FRICS** |
| **Date of Decision** | : | **2 January 2026** |

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## DECISION

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The Applicant is entitled to the Right to Manage Royal Riverside, 60, Priestley Street, Sheffield from 2 April 2026 unless an earlier date is agreed.

### REASONS

BACKGROUND

1. In or about 2019 the Respondent granted long leases of 127 flats at Royal Riverside in Sheffield ("the Premises"). The parties to each lease were (1) GSD Riverside Limited (landlord), (2) Riverside Management (SHF)

Limited, company number 10506040 (management company) and (3) the leaseholder. The Respondent acquired the freehold in 2020.

2. Despite being named as a party to leases created after that date, on 15 January 2019 Riverside Management (SHF) Limited had been dissolved. A new company with the same name but company number 12477629 was incorporated on 24 February 2020, and, it appears, undertook management of the Premises until the original management company was restored to the Companies Register on 30 November 2023 under the name 10506040 Ltd. This name was subsequently changed to Priestley House Ltd and the company is referred to by that name in these Reasons.

3. Meanwhile a claim to acquire the right to manage the Premises was rejected by the Respondent. The claimant applied to the Tribunal for a determination that it was entitled to a right to manage. The application was dealt with on papers and dismissed on 12 September 2022 ("the 2022 decision"), since the claimant had not at that time incorporated a Right to Manage company.

4. The Applicant was incorporated on 23 October 2023 and served a Notice of Claim on the Respondent on 16 January 2024 ("the relevant date"). The Respondent rejected the claim, and on 3 April 2024 the Applicant applied to the Tribunal under section 84(3) of the Commonhold and Leasehold Reform Act 2022 ("the Act") for a determination that it was entitled, as at the relevant date, to manage the Premises.

THE LAW

5. The acquisition of a right to manage without the need to prove any fault on the part of the existing manager is governed by Part 2 of the Act.

6. Prior to serving a claim notice, the claimant ("RTM company") must give a Notice Inviting Participation in the right to manage ("NIP") to each qualifying tenant who is not, and has not agreed to become, a member of the RTM company. A qualifying tenant is defined at section 75 as a long leaseholder of a flat in the relevant premises and section 75(7) of the Act

states “where a flat is being let to joint tenants under a long lease, the joint tenants shall…..be regarded as jointly being the qualifying tenant of the flat.”

7. Section 78(2) of the Act provides that a NIP must

“(a) state that the RTM company intends to acquire the right to manage the premises,

(b) state the names of the members of the RTM company,

(c) invite the recipients of the notice to become members of the company, and

(d) contain such other particulars (if any) as may be required… by regulations…”

Section 78 contains further requirements for the NIP which are not in issue here, and ends with the following subsection -

“(7) A notice of invitation to participate is not invalidated by any inaccuracy in any of the particulars required by or by virtue of this section.”

There is no prescribed form for the NIP, but a form has been created by a company called RTMF Services Limited which advises leaseholders wishing to apply for a right to manage, and the Applicant used that form.

8. Following the issue of NIPs, section 79(6) of the Act requires the RTM company to give a claim notice to each person who, at that date, is

(a) the landlord under a lease of the whole or any part of the premises,

(b) party to such a lease otherwise than as landlord or tenant, or

(c) [not relevant to this decision].

9. Section 79(8) adds that a copy of the claim notice must be given to each person who is the qualifying tenant of any flat in the premises on the date of the claim notice.

10. Section 80 sets out the information which a claim notice must contain but section 81(1) provides that a claim notice is not invalidated by any inaccuracy in any of that information.

11. Under section 84 any person to whom a claim notice has been given may give the RTM company a counter notice either admitting that the company is entitled to acquire the right to manage the premises or alleging that the company is not so entitled "by reason of a specified provision of this chapter" (section 84(2)(b)). If the RTM company receives a counter notice in which the right to manage is denied, it may apply to the tribunal for a determination as to whether or not it was entitled to acquire the right to manage on the date on which the claim notice was given.

12. The approach to making such a determination has been considered comprehensively in *A1 Properties (Sunderland) Ltd v Tudor Studios RTM CO Ltd [2024] UKSC 27*, a judgement handed down on 16 August 2024 ("A1 Properties"). In that case, an intermediate landlord of part of the premises had not been given a claim notice. To quote from the headnote:
"…the correct approach was to infer what consequences Parliament had intended non-compliance to have by looking at (a) the purpose served by the requirement as assessed in the light of a detailed analysis of the statute and (b) the specific facts of the case, having regard to whether any (and what) prejudice might be caused or whether any injustice might arise if the validity of the statutory process was affirmed notwithstanding non-compliance with the requirement….. [T]he question to be addressed was whether a relevant party had been deprived by the procedural failure of a significant opportunity to have their opposition to the making of an order to transfer the right to manage considered having regard to (a) what objections they could have raised and would have wished to raise and (b) whether, despite the procedural omission, they in fact had the opportunity to have their objections considered ….."

THE RESPONDENT'S OBJECTIONS

13. The Respondent objected to the Applicant's claim to acquire a right to manage the Premises on four grounds set out in its counter-notice dated 21 February 2024. These grounds, as confirmed in the Respondent's Statement of Case dated 15 August 2025 and expanded in its Reply dated 1 October 2025, were that the Applicant had

(a) failed to serve the claim notice on Priestley House Limited;

(b) failed to comply with the requirements for membership of an RTM company under sections 73, 74 and 79(3) of the Act., in that (i) two qualifying tenants listed as members of the Applicant had assigned their leases back to the Respondent before 16 January 2024 and (ii) the Applicant had not demonstrated that the membership threshold (not less than 50% of the qualifying tenants in the Premises to be members of the company) had been reached;

(c) failed to demonstrate compliance with the requirements for service of NIPs under section 78, ie that each qualifying tenant was properly served, that the correct addresses were used, and that 14 days had elapsed between giving the NIPs and the date on which the claim notice was given; and

(d) failed to demonstrate compliance with the requirement to send each qualifying tenant a copy of the claim notice (section 79(8)).

In relation to these alleged failures, the Respondent claimed that "the burden lies with the Applicant to prove, not merely assert, compliance with every statutory step."

14. These grounds for objecting to acquisition of the right to manage were presented to the Tribunal at the hearing by the Respondent's counsel, Mr Ifzal Khan. Mr Khan's skeleton argument referenced evidence and details of objections which had not been pleaded and did not appear in the hearing bundle. To ensure that the Applicant was not "ambushed", the Tribunal did not take into consideration any evidence which was not supplied by the Respondent prior to the hearing.

THE APPLICANT'S CASE

15. Representing the Applicant, Mr Winston Jacobs of counsel admitted that, for reasons which do not have to be considered in this decision, the Applicant had failed to give the claim notice to Priestley House Ltd. He noted that the

Respondent did not say that Priestley House Ltd had any objection to the Applicant acquiring a right to manage, but it was understood that if it had objections, they were the same objections as those raised by the Respondent. It followed, he said, that if those objections failed Priestley House Ltd had lost nothing of value by being precluded from bringing them before the Tribunal. If the Respondent's objections succeeded, the Applicant would not acquire a right to manage, and Priestley House Ltd would be able to let the matter drop. On this basis, he argued that the Tribunal could continue to make a determination despite the Applicant's procedural failure, as discussed and allowed at paragraph 91 of A1 Properties.

16. Further, Mr Jacobs referred to paragraph 87 of the A1 Properties judgement, where failure to serve a claim notice on a person entitled to it rendered the transfer of the right to manage "voidable, at the instance of the….stakeholder who was entitled to, but not given, a claim notice, but not void." Mr Jacobs relied on this and paragraph 92 of the judgement to show that the Applicant had no standing enabling it to object to the claim notice if Priestley House Ltd had not done so. A1 Properties describes, at paragraph 88, the remedies available to a stakeholder who has not received a claim notice, namely an application to the High Court for a declaration as to its rights, or for a judicial review of the Tribunal's order. In this instance, Mr Jacobs said, no action has been taken by Priestley House Ltd, and the Tribunal could properly determine the application for acquisition of the right to manage.

17. Referring to the Respondent's claim that two qualifying tenants who were included in the list of members of the RTM company had sold their leasehold interests to the Respondent prior to 16 January 2024 and should not have been included, Mr Jacobs made the following points. Firstly, even if they were not included the RTM company listed 67 members out of 127 flats as at the relevant date. Removing two of them would still leave the Applicant with a membership numbering over 50% of the total qualifying tenants. Secondly, Mr Jacobs said that the Applicant had obtained office copies of the two relevant titles (along with others) from the Land Registry on 30 October 2023. Of these two, the register entries for flat 86 gave as the registered proprietor the person who was or became a member of the Applicant

company. Although it claimed to be the transferee, the Respondent had produced no evidence of a sale which was registered by the Land Registry prior to 16 January 2024 and the Tribunal could, on a balance of probabilities, find that no such sale had taken place. In relation to the owner of flat 104, the Respondent supplied the Tribunal with an office copy entry dated 1 March 2024 showing the Respondent as the new proprietor, the leasehold interest having been sold to the Respondent on 13 December 2023. However, Mr Jacobs said, any transfer to a new owner was not finalised until registered at the Land Registry. Pending registration the previous owner remained the qualifying tenant and was properly included in the members register of the Applicant company. For this, he relied on paragraphs 57 – 59 of the decision of Upper Tribunal Judge Cooke in *Avon Freeholds Ltd v Cresta Court E RTM Co Ltd [2024] UKUT 335 (LC)*.

18. In relation to the Respondent's third objection, Mr Jacobs referred the Tribunal to *Assethold Ltd v 14 Stansfield Road RTM Co Ltd [2012] UKUT 262 (LC)* at paragraph 21. In that case, as in this, the objecting landlord had not specified the defect which, it said, invalidated the claim to the right to manage. At paragraph 23-54 of *Service Charges and Management*, the authors comment on this to say: "…tribunals will not take the step of requiring RTM companies to prove their register unless there is some reason to do so, in effect placing a preliminary burden on landlords to raise a valid question mark. Landlords will not be permitted simply to put RTM companies to proof in the hope that they trip up."

19. The Respondent queried whether a copy of the claim notice had been properly sent to all qualifying tenants as required by section 79(8) of the Act, suggesting that this should have been done by means of "contemporaneous service", and that each leaseholder, as a qualifying tenant, should have received a copy. Mr Khan expanded on this at the hearing to claim that where there were two or more joint tenants of a leasehold interest, each of them should have received a copy of the claim notice. In its statement of case the Applicant confirmed that on 9 February 2024 a copy of the claim notice had been sent by post to each qualifying tenant who was not a member of the company, and copies were emailed to members on 1 February 2024.

Evidence in the form of a bulk posting certificate and copy emails had been produced by the Applicant. In response to a suggestion that email was not good service, Mr Jacobs referred the Tribunal to *Assethold Ltd v 110 Boulevard RTM Co Ltd [2017] UKUT 316 (LC)* where at paragraph 14 Judge John Behrens said "….I have come to the conclusion that the sending of an email containing either as an attachment or otherwise a copy of the claim notice to the email address of the qualifying tenant complies with the RTM company's obligation under section 79(8) of the 2002 Act."

20. As for the claim that the copy claim notices had been sent to qualifying tenants too late – ie after the relevant date – Mr Jacobs pointed out that section 79(8) does not provide a timescale for sending the copies. Further, he said that once the claim notice had been validly given, any later defect or delay in supplying a copy to qualifying tenants was incapable of retrospectively invalidating the notice, and relied for this on paragraph 35 of the judgement of Birss LJ in *Spire House RTM Co Ltd v Eastern Pyramid Group Corpn SA [2021] EWCA Civ 1658* which addressed withdrawal of a notice of claim and stated "…if the notice….was effective, it cannot be rendered ineffective by what happened afterwards".

THE RESPONDENT'S CASE

21. In reply Mr Khan said that the failure to give a notice of claim to Priestley House Ltd could not be regarded simply as a technical breach with no effect on the present application, since contractual rights and property interests were at stake. If the test is whether the stakeholder who has not received a notice of claim has lost something of value, Mr Khan would say that the loss of an opportunity to object is a significant loss. Further, he said that this was not a situation where the Respondent was able to raise a "windfall" objection, as might be the case where another stakeholder had chosen not to respond to the claim. In this case, Priestley House Ltd was prevented from objecting because it had not received a notice of claim, and the Applicant should therefore be able to raise objections on its behalf. Mr Khan supported this view by reference to paragraph 92 of the A1 Properties judgement which includes the statement: "The omission does not give other persons who are not so affected (for example, other landlords who have been properly served

with a claim notice) a right to object to the making of a transfer order if the party who is so affected has not sought to complain about this." (emphasis added).

22. Regarding service by email, Mr Khan said that this was permissible only where the recipient had consented to it. He said that the forms returned by qualifying tenants who wished to become members of the Applicant company provided for them to supply their email addresses but did not specifically state that they agreed to receive documents by email. The consent forms did not include the qualifying tenants' signatures and without a signature, Mr Khan said, there was no consent.

23. Further, Mr Khan said that where a copy of the claim form had been sent to an address with only the surnames of the tenants provided, that could be considered defective. Further the Applicant had provided no evidence as to which of joint leaseholders had completed the consent form and whether they had properly obtained the consent of the other joint owner, or included the correct address of each owner. Mr Khan said that each leaseholder should have been served separately in order to comply with the Act.

24. In relation to the sales of flats 86 and 104, Mr Khan said that the Applicant should have checked the Land Registry entries shortly before sending copies of the notice of claim, and there is no evidence that the leaseholders of these flats were still members of the Applicant company on the relevant date.

25. Mr Khan referred to the fact that copies of the claim notice had been posted to the flats of the qualifying tenants who were not members of the Applicant company, and that this was not good service where the Land Registry had noted on the Proprietorship Register a different correspondence address for the leaseholder.

26. Finally, Mr Khan referred to the 2022 decision and proposed that the Tribunal should, for consistency, adopt the same conclusions.

CONCLUSIONS

27. The Tribunal declines to follow the 2022 decision, on the ground firstly that that decision was made without the benefit of legal argument and secondly that the Tribunal is now guided by the judgement in A1 Properties.

28. The Applicant's failure to send the notice of claim to Priestley House Ltd has not deprived that company of anything of value, since this decision is made after taking into account the objections put forward on its behalf by the Applicant. In practice, Priestley House Ltd has not lost the opportunity to have its objections adjudicated upon. In these circumstances the failure to comply fully with section 79(6) of the Act does not invalidate the application for a right to manage the Premises.

29. Following A1 Properties, the Applicant is not permitted to raise on behalf of Priestley House Ltd an objection based on failure to provide a claim notice to that company or to use that failure to seek a benefit for itself.

30. There is no evidence before the Tribunal that the leaseholder of flat 86 was no longer entitled to membership of the Applicant as a result of a completed and registered transfer of the flat prior to the relevant date.

31. There is evidence in the form of a Land Registry office copy dated 1 March 2024 that the transfer of flat 104 was completed and registered prior to 16 January 2024. It is unclear whether this information would have been available to the Applicant if an enquiry had been made at the time. Even if it was and the former owner of flat 104 was no longer qualified to be a member of the Applicant, the Applicant's membership would have exceeded the required 50% of the number of qualifying tenants at the relevant date.

32. The Applicant was not required by the Act to send a copy of the claim notice to qualifying tenants within a certain timescale after the relevant date.

33. The Applicant was not required to send the NIP or a copy of the claim notice separately to each of joint leaseholders, since section 75(7) of the Act provides that joint leaseholders are (together) a qualifying tenant.

34. The Applicant was entitled to send a copy of the claim notice to each non-member qualifying tenant at his flat in the Premises, since this is provided for at section 111(5) of the Act: "[An RTM company] may give a notice under this Chapter to a person who is the qualifying tenant of a flat contained in the premises at the flat unless it has been notified by the qualifying tenant of a different address in England and Wales at which he wishes to be given any such notice". The supply of a correspondence address to the Land Registry on registration of a transfer does not constitute such a notification.

35. Formal consent to service by email is not required, following *Assethold Ltd v 110 Boulevard RTM Co Ltd*. The Applicant has sufficiently proven on a balance of probabilities the giving of NIPs and copies of the claim notice by email and post in compliance with the Act, and the Tribunal has seen no evidence to the contrary.

36. The Respondent has not raised a case to answer in relation to the alleged and unadmitted failures to follow the procedures set out in the Act. Insofar as it has sought to put the Applicant to proof of compliance, this is not an effective or acceptable means of objecting to acquisition of the right to manage the Premises.

37. It follows that the Applicant is entitled to acquire the right to manage the Premises.