



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

Case Reference	:	HAV/21UF/LVM/2025/0003
Property	:	Flats 1 – 12, Longridge Court, Longridge Avenue, Saltdean, Brighton, BN2 2LY
Applicants	:	Ian Clive Blake (Flat 1) Ian Crawford (Flat 3) Keith Frederick James Pantridge (Flat 7) Laura Elizabeth Victoria Tighe (formerly Wells) (Flat 10) Philip Edward Stevens (Flat 12)
Representative	:	Jeremy Donegan of Commonhold and Leasehold Experts Limited
Respondent	:	Panayiotis Theodossiou (freeholder)
Representative	:	----
Interested Parties	:	Panayiotis Theodossiou (Flat 11) Joanne Marion as executor of Marion Hilida Habbib (Flat 8)
Representative	:	----
Manager	:	Mr Gary Pickard
Type of Application	:	Appointment of Manager- section 24 of the Landlord and Tenant Act 1987 Application pursuant to section 20C of the Landlord and Tenant Act 1985
Tribunal Members	:	Judge J Dobson Mr A Hetheron MRICS IRRV (Hons)
Date of Hearing	:	8 th April 2026
Date of Decision	:	30 th April 2026

DECISION

Summary of Decision

- 1. The Applicant's application for the variation of a Management Order by way of extension of the appointment of a Manager is granted.**
- 2. The Tribunal extends the term of appointment of Mr Pickard as the Manager of the Property up to 2nd May 2029.**
- 3. The Tribunal does so in the up-dated terms of the Order dated 30th April 2026.**
- 4. The Tribunal grants the Applicant's application under s.20C of the Landlord and Tenant Act 1985, seeking an order that legal costs incurred by the freeholder in respect of this application should not be recoverable through service charges.**

Background

5. The Respondent is the freeholder of Flats 1 – 12, Longridge Court, Longridge Avenue, Saltdean, Brighton, BN2 2LY (“the Property”), having purchased the Property in 1990. The Applicants are the lessees of five of those flats [387- 424]. The Interested Parties are the lessees of Flats 8 and 11 held on other long lessees. There are twelve residential flats in total as the description of the Property suggests.
6. It will be identified that only lessees of seven flats are named. The other five flats have no individual title, which is to say that they are included in the freehold title [379- 384]. It will also be identified that the Respondent freeholder is also one of the Interested Parties in his capacity as a lessee of a flat (so he owns six of twelve overall). As to why he holds a lease of a flat whilst also owning other flats as parts of his freehold title was not apparent- and indeed whether the leasehold title of that flat has in law been subsumed into the freehold title was not apparent- but nothing turns on that.
7. The freehold title demonstrates that the Property is the main part of a three- storey building (“the Building”) fronting onto Longridge Avenue- the western elevation- and with the southern elevation facing what the Tribunal understands to be the main retail street in Saltdean. The Property has previously been described in these proceedings in the Directions and in previous proceedings- see below- as Longridge Court. It is apparent from the title registered at HM Land Registry that is not quite accurate. Although the building as a whole is not described as Longridge Court and neither is any other relevant property called Longridge Court and so there is no basis for considering that any confusion arose, the description is corrected to that on the registered title in this Decision and in the up-dated Order. The Property and the remainder of the Building are understood to have been built in approximately the late 1950s.

8. As established in the hearing, there are four sets of shop premises as laid out to the ground floor western elevation, comprised in three separate freehold retail unit titles (two shop units as laid out are apparently included in one of the titles). The Respondent is not the owner of any of those titles. The HM Land Registry entries for the titles [S4- 59] indicate that the titles originally commenced in May, July and August 1959 by conveyance (“the 1959 conveyances”) from the then owner of the whole Building, who retained the Property after the sale of the retail units. The current owners have bought much more recently, from 2003 to 2011.
9. The land on which the Building is situated slopes north to south and also east to west. Hence, the Property includes the ground floor to the eastern elevation but that becomes the first floor for the western elevation because the retail units are situated underneath. It follows that the retail units go back a certain distance underneath the Property, although the precise extent of that was not apparent. That has some relevance and is returned to below.
10. There are three pitched roofs to the Building, in essence one somewhat above each of the western elevation ground floor shop unit titles and running back to the eastern rear elevation. The two entrances to the communal areas of the Property leading to the individual flats are to the southern and northern elevations- they may or may not be where the retail units end and the Property starts. The freehold title for the Property includes what appear to be small areas to the sides and the rear of the Property, together with the nearest garage in a block of six garages also to the rear of the Property.
11. The management of the Property was historically undertaken by the freeholder. However, the Tribunal appointed a manager in 2014 pursuant to an application by lessees, although in the event that manager only continued for two years before ceasing. There was then a period of approximately two further years of management by the freeholder.
12. During that time, an application was made for the appointment of Mr Pickard as the Manager. The Tribunal at that time and in a Decision dated 3rd May 2018 (“the 2018 Decision”) determined that there had been longstanding disputes- over several years- with regard to maintenance of the Property; the Respondent had failed to contribute to required funds; the Respondent had not undertaken the required repair and maintenance; there had been a breakdown in relations between the parties. The Respondent’s failure to then participate in the proceedings was also noted.
13. The Tribunal concluded that it was just and convenient to appoint a manager. That appointment was for a period of five years commencing on 3rd May 2018 and so ending on 2nd May 2023. The Manager was, amongst other matters, given the power to collect the rents from the flats owned by the Respondent and rented out.
14. An application was subsequently made for the term of the appointment to be extended. That application was granted by a Decision dated 16th

November 2022 (“the 2022 Decision”) [38- 42], so somewhat in advance of the end of the original term. The term was extended to a period of eight years from 3rd May 2018 and so until 2nd May of this year and would then have expired but for the application now made.

15. In granting that extension, the Tribunal found a lack of understanding of the Order by the Respondent and that there had been a lack of funding for works and a lack of co-operation from the Respondent which had hampered the undertaking of the works required.
16. On 7th April 2025, the Respondent made an application for the appointment to be discharged [40- 47], particularly asserting that the Order was preventing him from selling his flats and causing him financial hardship. That application was subsequently struck out and confirmed by Directions dated 5th March 2026 [109- 112]. That was in consequence of the Respondent failing to provide his case in response to Directions dated 9th February 2026 [101- 105] which stated that the application would be struck out if the Respondent so failed, the Respondent having by then failed to provide his case in response to the original direction for him to do so.
17. On 30th May 2025, the Manager prepared the most recent report [119 onwards] with regard to progress made pursuant to the Order. The most notable matters were that there has been a failure on the part of the Respondent to pay service charges- although he is not unique in that as discussed below- and lengthy proceedings were required in the County Court- resulting, the Manager considered, in delays in the ability to undertake works.
18. The Manager has since the hearing given evidence of the level of his insurance cover via an email dated 23rd April enclosing a copy of the policy, which is more than ample for these purposes at up to £5million for any single claim.

The Application and History of the Case

19. The Applicant by application dated [62- 80], sought an order from the Tribunal for the further extension of the appointment of the Manager under s.24 of the Landlord and Tenant Act 1987 (“the 1987 Act”). The Applicant further sought an order, under section 20C of the Landlord and Tenant Act 1985 (“the 1985 Act”) [20- 28], extinguishing the Respondents’ rights to recover the costs of these proceedings through the service charge.
20. The stated basis for seeking the extension was to complete outstanding repairs and restore the Property to good condition. The Applicants stated that the relationship between them and the Respondent has broken down irretrievably. The Applicants said that they enjoy a good relationship with Mr Pickard and have confidence in his independence and professional expertise.

21. Various sets of Directions were issued in broadly usual terms (subject to reference to the now struck out application for discharge) [48- 108]. The Applicants were directed to provide a hearing bundle and did so, comprising 442 pages of PDF. Where the Tribunal refers to specific pages of the bundle it does so by numbers in square brackets [] as above and continued below.
22. This is an imperfect, although perhaps as good as any, time to record that the Tribunal has been mindful of the guidance of the Senior President of Tribunals to seek to keep decisions relatively short. However, the Tribunal finds it necessary to provide its findings and reasoning on the issues. The Decision nevertheless seeks to focus solely on the key issues and seeks to avoid venturing into the other matters mentioned in the papers. Not all of the various matters mentioned require any finding to be made for the purpose of deciding the relevant issues remaining in this application. The Decision is made on the basis of the evidence and arguments presented, save where clarified by the Tribunal in the hearing.

The Lease(s)

23. Copies of the original and varied leases for Flat 12 were provided [334-354] (collectively “the Lease”). The Property as termed in this Decision is termed in the Leases as “the Block”.
24. At clause 4(2)(i) of the leases each lessee covenants to:

“pay and contribute ... one twelfth part of all money expended by the Landlord in complying with its covenants in relation to the Block as set for the in Clauses 6(2) and (4) hereof”.
25. The Respondent was given responsibilities pursuant to clause 6(4) remedy defects in the Property and to keep it in “good and substantial repaired and condition” other demised as the flats. In the usual manner that included the roof, the main structure, the exterior (with limited exceptions), such things as pipes and conduits and the like, internal common parts, and also external areas.
26. There are also requirements to co-operate with adjacent premises and to recover from them in respect of repairs.
27. There are inevitably an array of other matters provided for but essentially in the usual sort of manner. Nothing in this Decision turns on any of those and hence there is no purpose in saying more.

The Law

28. The relevant statutory provisions in respect of applications regarding the appointment of managers are found in s24 of the 1987 Act.
29. Much of that relates to the initial appointment of a manager. The original Order in 2018 was made pursuant to section 24(1) of the 1987 Act.

30. The parts which relates to variations of an order, including applications to discharge and applications to extend, are section 24(9) and 24(9A). In combination, they provide as follows:

(9) The appropriate tribunal may on the application of any person interested vary or discharge (whether conditionally or unconditionally) an order made under this section, and if the order has been protected by an entry registered under the Land Charges Act 1972 or the Land Registration Act 2002, the tribunal may be order direct that the entry shall be cancelled.

(9A) the tribunal shall not vary or discharge an order under subsection (9) on the application of any relevant person unless it is satisfied –

(a) That the variation or discharge of the order will not result in a recurrence of the circumstances which led to the order being made, and

(b) That it is just and convenient in all the circumstances of the case to vary or discharge the order.

31. Certain of the words and phrases are explained or expanded upon in subsequent subsections of section 24 of the 1987 Act. Later subsections address the extent of the premises and the extent of the powers of the manager. The opening provision of section 24 of the 1987 Act enables the Tribunal to give to the manager such powers as it considers appropriate, not limited to those given to the freeholder under the Lease. That applies both to the initial appointment and at such other time as the Tribunal may consider the powers of the manager and any variation to them.

32. The 2022 Decision specifically refers to one case authority, that of *Orchard Court Residents Association v St Anthony's Homes Ltd* [2003] EWCA Civ 1049 . That is also cited by the Applicant, in particular part of the judgment of Keene LJ in paragraph 14, where it is said as follows:

“I quite accept that, in exercising its discretion under section 24(9), a Tribunal must have regard to relevant considerations; that is trite law. But when one looks at paragraphs 20 and 21 of the Tribunal’s decision, it is quite clear that this Tribunal did have such regard. However, section 24(2) did not require it to be satisfied that at least one of those thresholds had been passed. Nor can I see any reason why this particular type of variation, the extension of a manager’s term, should have to meet the criteria in section 24(2). Mr Heather has conceded that there is no limit on the length of time for which a manager may be appointed in the first place. In those circumstances, why should one require the section 24(2) tests to be met all over again simply because a variation is sought which will extend his term of appointment?”

33. Whilst the Tribunal is aware of the other caselaw in relation to appointments of managers and applies that generally, no other examples were cited by the parties or otherwise require, the Tribunal considers, discussing specifically.

34. The question for the Tribunal to consider as explained above is whether extending the term of the appointment is just and convenient. There is no

need to examine any other criteria which might have rendered an appointment appropriate in the first place (although whilst there is a set of what are sometimes called threshold criteria after the meeting of which the question is one just and convenient, there can also be an original appointment on the Tribunal concluding that to be just and convenient without any of the specific threshold criteria also being met).

35. Given that lack of an extension would return the management of the given property to the freeholder (or relevant equivalent), the scope for the recurrence of circumstances which resulted in the order being made is necessarily also a significant consideration, although if the Tribunal were not varying an order or discharging one and were simply allowing an order to end, that would not be engaged directly.

The Hearing

36. The hearing was held at Havant Justice Centre. The Applicants were represented by their solicitor Mr Donegan. Of the Applicants, Mr Philip Stevens attended.
37. Mr Pickard was also in attendance. There was no attendance by or on behalf of the Respondent.
38. There had been a written witness statement prepared and included in the bundle for Mr Pickard, the Manager, dated 12th March 2026 [287- 290], together with his last report. There was also a statement for Mr Stevens dated 13th March 2026 [330- 331]. The Tribunal received oral evidence from both, principally Mr Pickard.
39. In addition, Mr Donegan had prepared a Skeleton Argument 5 pages long. That was supported by a bundle of case authorities. He had also prepared a statement of case earlier in the proceedings [113- 118].
40. As explained above, the Respondent had failed to provide his case and had been barred from participating in the Applicant's application. The Respondent nevertheless sent to the Tribunal an email attaching a document described as "Tribunal Hearing My Reply" during the afternoon prior to the hearing. The Tribunal did not consider that document. The Respondent had not made an application for the bar to be lifted and with that bar in place, he was not permitted to participate. He was unable to provide such a document for consideration.
41. It should be said that nevertheless insofar as the Respondent had raised issues in communications with the Manager or they were otherwise apparent from documents in the bundle and the Tribunal considered those had relevance to the question of granting an extension of the appointment or the length of that, the Tribunal raised those matters with the Manager and with Mr Donegan and considered them, as will be seen below.

42. One of the particular matters that the Tribunal raised related to the position with the retail units. Mr Donegan applied for permission to provide additional evidence by way of title documents for those retail units and for permission to make short supplemental submissions about those titles.
43. That permission was granted, the Tribunal considering that it needed to understand the position in relation to those units and needed the title documents in particular in order to do so. Further whilst the presence and potential relevance of the retail units was hardly a new matter, the Tribunal had raised new angles about the issue and so it was appropriate for the Applicants- and Manager- to be able to consider those. It would have been appropriate for the Respondent to also be able to except that he was barred. The Tribunal considers matters in relation to the retail units below under a specific sub- heading.
44. Where the Tribunal refers to specific pages of the supplemental bundle it does so by numbers in square brackets preceded by "S" [S] as above and continued below.

Consideration of an extension

45. The Tribunal is satisfied that the circumstances exist make it just and convenient to extend the term of the appointment, but the Tribunal does not consider it appropriate to do so for the full period of 5 years sought by the Applicants.
46. The Tribunal explains the relevant considerations and its reasons below. It can be briefly stated that not all matters point the same way.

Finances

47. The Tribunal starts with Mr Pickard's evidence about the current position with service charges and accounts, which was the first matter the Tribunal raised with him in his oral evidence.
48. Mr Pickard said that the demands which could have been raised from March 2026 had not yet been raised. Further, that the accounts for the year recently ended had not yet been prepared. He said that the demands for on- account service charges for the current year would be raised within the next couple of weeks- and hence that may by now have happened. No budget had yet been prepared on the basis of management accounts maintained throughout. Mr Pickard could not say the likely figure.
49. However, currently, according to the oral evidence of Mr Pickard, the sum held in the service charge account is £120,239.31. (That is insufficient to enable the whole of the phase 2 works to be undertaken- see below).

50. There was some confusion as to exactly where the shortfall lay. The written evidence indicated a shortfall of approximately £56,000.00, with approximately £23,000.00 owed by the Respondent, although necessarily that left approximately £33,000.00 owed by the other lessees. As at the date of Mr Pickard's annual report back in May 2025, the arrears had been £48,281.56 of which £22,755.63 was owed by the Respondent.
51. There was, to state the obvious, rather more indicated to be owed for the 6 flats not owned by the Respondent than for the 6 flats which are owned by the Respondent. It was the sum said to be owed by the lessees that had risen. Where lessees had sought the extension of the appointment of the Manager and because of the need for works to the Property, that was hardly an attractive position.
52. The Tribunal noted that the figure said to be owed by the Respondent is essentially the same as that owed as at June 2023- see below. It was not easy to understand how the figure had remained essentially the same across a 2- year period. Additional rental income and the Respondent's share of additional expenditure being at about the same level was plausible but perhaps not the most likely position.
53. In oral evidence, Mr Pickard said that he had checked with his office that morning and the up-to- date figures were different to those stated in writing. He stated that he had been told that the Respondent owed £28,313.60 and that the lessees owed £25,893.14. Mr Pickard did not have any first- hand knowledge of the figures and he had not had the chance to verify them.
54. Mr Pickard could not explain the suggested change. That was not terribly helpful at a final hearing.
55. It is to state the very obvious that the correct sums owed by the parties must be established by the Manager in very clear terms. Any change from the figure given in the witness statement endorsed with a statement of truth must be explained. Any lack of clarity is likely to be detrimental to receiving the required further sums and that is in no- one's interests.
56. Mr Pickard said that he had not yet issued demands for the current service charge year, which could have been made in March. He is awaiting finalised accounts for the years ending March 2026 and intends then to finalise a budget for 2026 to 2027 and issue demands. It was said that is his usual practice and so is presumably one that the other parties are now used to.
57. The Tribunal suggested that in the absence of further service charge demands, it seemed implausible that the Respondent's liability could have increased. Leaving any other matters aside, it would follow from the last demands being late 2025 or the start of 2026, that there has been nothing further for the Respondent to pay that could have increased the sums owed by him. If anything, the Tribunal would have expected the

opposite, the amount owed reaching a peak when new demands were made and then progressively falling as rental payments were received until the time of the next demand.

58. Mr Pickard did state that replacement front doors to the Respondent's flats had been required. These were not service charge items but charges for the flats individually- the doors forming part of the demise. He thought, although he seemed unsure, that those had mainly been dealt with this calendar year and so the Tribunal accepted they might be a contributing factor, although that was high as matters could be put.
59. The Tribunal does accept the evidence of Mr Pickard that there have been arrears of service charge payments on an ongoing basis. The Tribunal notes that despite the power being given to the Manager to collect rent from the Respondent's tenants and that being exercised, the rent collected has not been sufficient to meet the Respondent's share of the expenses of managing the Property, which have included but inevitably have gone some way beyond, the repair works- the usual annual expenses have necessarily also required payment.
60. The Tribunal further notes and accepts that there have been court proceedings taken against the Respondent and a shortfall after the application of rental payments was agreed of £23,468.92 as at 26th June 2023 [279-280]. The proceedings are indicated to have claimed a much larger sum of £70,877.32 and that sums had increased further by the conclusion of the proceedings, principally by legal costs, but against which rental payments reduced the service charges otherwise due considerably.
61. There have not, Mr Pickard said, been any proceedings taken against lessees to date. Neither have their mortgage companies been contacted where the flats are mortgaged. Mr Pickard should not preclude taking such steps. Whilst individual sums are lower than those owed by the Respondent, the cumulative effect is significant on the, various, figures provided.
62. Mr Stevens said in oral evidence that he had not paid in full due to uncertainty as to whether the Manager would continue. That may or may not apply to other lessees- the Tribunal has no evidence. Whilst that is a reason, it is not the best one. It is to be assumed that the uncertainty referred to having been resolved by the Order now made extending the term of the Manager's appointment, Mr Stevens and any other lessees who have taken the same approach will bring their payment up to date urgently.
63. Mr Pickard also said that recent rental payments in respect of the Respondent's flats had not been set against the balance because of being retained to pay for the intended refurbishment of an empty flat. That is more widely addressed more fully below and so is not rehearsed here.

64. However, if sums proposed to be used for refurbishment have been separated out and the arrears figure for the Respondent have not been reduced by those, the figure is incorrect. The sums have been received. The potential ability in the future to utilise funds to refurbish if such refurbishment is considered appropriate, at least following amendment of the terms of the Order, does not alter that. Even had that not been relevant, the lack of application of further rental payments to the arrears figure would at most mean a static sum and not a rising one.
65. The continuing need to deal with finances, not least in respect of works, and in particular the lack of complete payment from the Respondent go to support the Order continuing. That lack of clarity about what is owed by the Respondent and how that has been calculated and the fact of arrears from the lessees in contrast weigh against it. The Tribunal reiterates that those matters must be addressed by the Manager. As the Tribunal observed in the hearing, if the lessees fail to pay and the matters returns to the Tribunal, the Tribunal that will be significant as to whether the Order should continue, especially if the Respondent is not in arrears. Currently, the balance favours the continued appointment.

The condition of the Property and progress with the works

66. It is apparent from numerous photographs of the Property principally taken in 2018 and 2019 [158- 178, 197-233 and 306- 314] and forming part of survey reports (although of mixed quality, there being colour copies of some but only blurred black and white copies of others) and from other evidence, that there had been a significant lack of maintenance and repair of the Property prior to the appointment of Mr Pickard in 2018.
67. That is, significantly, also very much apparent because the 2018 Decision and the findings and determinations made say so. The 2018 Decision records that the Applicant contended there to be “serious disrepair”. Additionally, that the Respondent acknowledged that there had been problems in relation to disrepair, did not dispute the remedial works but did suggest that his managing agents may have been at fault in allowing the disrepair to arise. The Decision further quoted the position of the previous Manager appointed that “We urgently need to do building works and fire precaution works”.
68. The Tribunals’ reference in its reasons for making an order- paragraph 46- identified the disputes between parties and the impasse without making a specific finding about the condition of the Property or specific determination of breach by the Respondent in respect of repairs and maintenance. However, taking the document as a whole it is apparent that the Tribunal accepted the information received about there being disrepair not addressed and there being a need for works to be undertaken. Mr Pickard in oral evidence said that the condition of the roof had been very bad.

69. The Respondent had been responsible for the Property up to that time. The lessees had presumably paid lower service charges than otherwise they might have done but at the cost of the Property deteriorating.
70. The Respondent's communications since then as contained within the bundle have not shown an enthusiasm for facilitating the works required. The Respondent has very much been troubled by other matters which in comparison are generally of a firmly secondary nature, much as the matter discussed under the next sub- heading had partial merit.
71. The Tribunal finds without hesitation on the evidence that the Respondent would not attend to the remainder of the required works to the Property if management of it was returned to him. No evidence offers more than marginal, if any for his doing so and there is ample weighing against it.
72. Whilst the provision of section 24(9A) of the Act quoted above does not specifically apply, that likelihood of the works not being completed by the Respondent with consequent ongoing problems with the Property and the inevitability in those circumstances of further deterioration and issues flies firmly in the face of the Order ceasing.
73. The Tribunal has considered the report of Infinity Surveying Limited from September of last year and in particular the schedule of works prepared for what is described below as the Phase 2 work and photographs taken [292- 314].
74. The Tribunal also accepts the evidence of Mr Pickard that no subsequent work has yet been undertaken to the Property.
75. It is abundantly clear from that evidence and from the comments of Mr Pickard in his witness statement, the evidence in which the Tribunal also accepts, that the works is some way yet from being completed. Further that the outstanding work is far from minor or cosmetic such it might be unfortunate if it were not undertaken but no major harm would be done. In contrast, there are structural matters and weather- proofing required and the evidence indicates that there would be harm caused if those were not carried out. As to the walls, Mr Pickard had greater concern about the former than the latter.
76. That said, in terms of how to approach the Order and the question of the ongoing period of that, the Tribunal considers that the current situation with works and plans for works requires looking at in more detail.
77. Mr Pickard explained that the current position with works to the Property is that approximately 2/3s of the roofs has been attended to, being the western side and working back towards the eastern side, although to different extents. That had been funded from service charges. In addition, the fascia boards and the weatherboards below the roofs and to the top of the western elevation had been dealt with.

78. Mr Pickard has termed those works as phase 1 (although the documents in the bundle reveal that some limited work was undertaken earlier).
79. There had been contingencies built in to the pricing for works but the condition found had used all or almost all of that sum.
80. There was some lack of clarity as to the portion of the overall works required which had by the hearing been undertaken but on Mr Pickard's evidence, less than 1/5th.
81. The Tribunal was and is troubled by the relative lack of progress with the required works to the Property by some 8 years into the appointment.
82. The Tribunal is mindful of the degree of impact arising from the Covid 19 pandemic in 2020 and, although to a lesser extent, in 2021. That did not prevent building works in particular external ones, but it is scarcely necessary to state caused considerable potential complications and much was delayed by it. Nevertheless, that is now some time ago.
83. The arrears of service charge payments and need for court proceedings have also inevitably had an impact. Again, that is a partial but not complete explanation for delay. The Tribunal particularly remains inclined to the view that some greater progress might have been made by seeking funds sooner.
84. Further work is to be undertaken this Spring or Summer, although subject to the term of the Order being extended. That work would ideally comprise works to the remainder of the roofs and the various works required to the southern and western elevation walls- the eastern and northern elevation walls were described as less weathered. That is the work that Mr Pickard has termed as phase 2.
85. The quote or estimate for that work accepted by the Manager is £176,985.00. The contractor has agreed to hold its quote given in late 2025 to summer of this year. That assumes the works can be undertaken in one go. Mr Pickard clarified, and this is no surprise, that if only part of the work can be undertaken and the balance has been attended to on a separate occasion, the overall cost of the phase 2 works will be appreciably higher. Mr Pickard stated that he had not made the parties aware of that point as yet, but promised to do so in his pending report.
86. In response to the point that the cost of the works exceeds the current funds, Mr Pickard said that the current funds would enable the roofs to be completed, and he proposed to have undertaken as much work to the southern and/ or western elevations as the funds would permit, stopping where those ran out. The funds may or may not permit rather more than envisaged dependent upon the position with the retail units- see below.
87. It was identified that work to those elevations would require scaffolding and the scaffolding required to enable the remaining roof works would be in a different location- to the northern side in part but principally to the

eastern side. That is unfortunate but the Tribunal accepts that the Manager considers on the evidence received by him that the southern and western elevations are in a worse condition and need swifter attention and further that it is for the Manager to apply his expertise to the approach to be taken to the sequence of works.

88. It was discussed in the hearing that if part of the work to an elevation could be funded but not all of the work to that elevation were possible, that would require scaffolding to be erected again for the balance works to be completed. That would inevitably add significantly to cost in itself, leaving aside the wider impact on the pricing of the contractor arising from delay, the need to schedule in a separate time for the balance works and impact on other jobs and other cost arising from two sections of work rather than one. The Tribunal urges all concerned to seek to avoid such a situation, which will not only add significantly to costs but if that were not enough will also hinder the undertaking of other work and be detrimental to all. The Tribunal does not seek to determine whether the work should be undertaken as far as possible or not until it can be completed in full. That is the sort of decision which will be required at the appropriate time by the Manager applying his experience and any advice received.
89. Mr Pickard said in response to clarification asked about by Mr Donegan that the roof work constituted $1/5^{\text{th}}$ of the works required as a whole and each elevation also constituted $1/5^{\text{th}}$. On that basis, if the phase 2 works can be undertaken, that would mean that $3/5^{\text{ths}}$ of the overall works had been undertaken.
90. That would be a significant step forward and at least something of better return on the period of management. The Tribunal was not entirely clear, that said, whether dividing the works so neatly into 5^{ths} was accurate. It may or may not undersell the progress by the end of phase 2. If the works to the northern and eastern elevations are more modest, as Mr Pickard indicated, they may not amount to $1/5^{\text{th}}$ each of the whole. On the other hand, there are internal works which the Manager would wish to have carried out which are not part of the 5 external areas.
91. The Tribunal is inclined to consider that the relative costs of the different elements of work would be a better guide to the extent to which progress has been made to date, progress will be made once current funds are expended and progress would be made if the phase 2 works are concluded. However, in the absence of any indication of the cost of the works to the northern and eastern elevations and internal works, it is not possible to carry out any calculation and nor is that necessary.
92. It should be explained that Mr Pickard stated that there is no costing for those works. Mr Pickard stated in his written evidence and confirmed the same orally, that he does not have an overall budget for the works required to the Property.

93. Mr Pickard has indicated in his written evidence that the northern and eastern elevations may be capable of being attended to from Spring/Summer 2027, although he envisages 2028 and suggests it may be later. However, there will be little scope for longer in the extension the Tribunal will agree. That applies even more to the suggestion that the internal works might wait until 2030. The Tribunal does not consider that satisfactory.
94. Mr Pickard had not, he said, prepared any planned maintenance programme (“PMP”) for the Property upon being appointed or at any other time to date. There had therefore been no document identifying when given works were intended to be undertaken nor the level of funds estimated to be required to be available to meet the estimated cost at that time. Mr Pickard said that the parties are aware of the condition of the Property- but not the cost faced to complete resolution of it. He said that a PMP could be prepared if 10 days were allowed for that.
95. The Tribunal accepts that any such PMP is a plan and the costing are estimates taking an educated guess at what the situation might be at the relevant future time. It will never be perfectly accurate. The increase in building costs can never be known with certainty and it is well- known that the costs have generally increased some way beyond inflation since 2020. That could not have been predicted in 2018.
96. However, such a PMP would have given an indication to all involved of what the likely cost may seem to be for the required works and other service costs for the term. It would have given an indication of the sum required to be received by the Manager by given dates and would have enabled service charge demands to be made of broadly even sums years on year with reserves accumulated. It may very well have been that recovery action to ensure payment of much of the sum needed by any given time could have been undertaken well in advance of the time when the work was expected to be carried out.
97. The Tribunal understands from Mr Pickard’s evidence that he has instead identified costs for works as and when quotes or estimates have been received. He has then made demands. The Tribunal accepts that in principle that is one of a range of approaches which could be taken. However, it tends to result in uncertainty as to likely cost until some way into the process and may hinder the building up of reserves in advance of the time when costs will be incurred.
98. The Tribunal considers that for the remainder of the term, it would be preferable for there to be identification as soon as practicable of the likely service costs for the remainder of the anticipated term of the Order- see below- including for the further works and those should start being demanded and collected in early course with demands at as even a rate as practicable between the first demand and the date when the works are expected to be undertaken and all funds to pay for them are required.

99. It is probably not appropriate to term that a planned maintenance programme as such. That term would suggest wider works over a longer period than now needs to be provided for. However, the Tribunal firmly considers that an understanding on the part of all concerned about the remaining works to be undertaken during the extended period of the Order and when within that period those works are anticipated and what they are expected to cost will aid understanding and may enable funds to be sought in good time.
100. On the whole, the position in respect of the need to undertake works supports the continuation of the Order, for the period the Tribunal considers appropriate.

The retail units

101. The Tribunal noted that the Respondent has frequently raised with the Manager and others why no contributions have been sought from any of the shops. He has suggested that the flats, including his own, should each contribute 1/16th, so each shop should contribute the equivalent sum, although the Respondent has never identified any legal basis for that. The Tribunal also raised in the hearing other points it considered to be relevant arising directly from the arguments the Respondent had made.
102. Whilst the 2018 Decision states that it could be seen from office copy entries that there was no mention of the shops or a need to contribute towards repair, the Tribunal perceives that in 2018 the tribunal was in possession of the title to the Property and leasehold titles but had not been provided with the titles to the shop freeholds. If the Tribunal had been, it is difficult for the Tribunal to understand on what basis the tribunal in 2022 could have confidently determined that there was no requirement to contribute. Far more likely, the Tribunal did not possess that evidence.
103. The Applicants' case at the time had not assisted. It was suggested that the shops might have a duty of care to avoid injury or damage, but it is apparent counsel did not consider the title documents for the retail units, presumably was not provided with them, and could not assist about them.
104. For the avoidance of doubt, whilst the 2022 Decision specifically declined to vary the Order to require the Manager to seek a contribution from the shops themselves, that appears very much to the Tribunal to reflect information of the nature received in 2018. There is no hint that in 2022 the tribunal received copies of the freehold titles to the retail units.
105. The Tribunal nevertheless considers the point about contributions to be the best of Respondent's points as far as it goes, although without being nearly sufficient to justify his lack of co-operation and lack of payment.
106. There was a kernel of a potentially relevant point, which should have been considered to a greater extent by the Manager and/ or those who

advised him. There was potential to have a degree of impact on the object of payments from the Respondent and indeed the lessees. It should be said that whilst the points as discerned by the Tribunal and discussed below were not considered by the Manager, neither is there any hint that they had ever been considered by the Respondent in the manner relevant, so it is not the specific issues identified below that could have been argued to have impacted impact on the Respondent's lack of payment and, the Tribunal repeats, were not sufficient to justify thatn.

107. As to the Respondent's query, the Tribunal notes that the Applicants have denied there to be any basis for the shops contributing and rather the response on behalf both of the Manager and the Applicants throughout has been that the lessees of flats in the Property are required to meet 100% of the expenses in respect of the Property, hence there is no contribution required from the shops.
108. The Tribunal accepts that point about the leases as far as it goes, but really it is only a small portion of the picture. There has been a failure on the part of the Applicants and the Manager since the 2018 Decision and the appointment- and indeed on the part of the Applicants apparently from 2014 onward- to consider the full picture. Mr Pickard accepted in oral evidence that he knew nothing about the retail unit titles, including who owned them.
109. Hence, it is only in Spring 2026 that the correct position as between the retail units and the Property is being given consideration. That is hardly satisfactory.
110. It will be recalled that at the start of this Decision, it was explained that the Property extends from the ground floor at the eastern side and that becomes the first floor at the western side because the slope down permits another storey at ground floor level on the western side, which is comprised of the retail units. The Property comprises the flats and the common parts including the entrance porches and the land to the eastern side.
111. The service charges relate to the Property.
112. The retail units are not part of the Property as defined. They have, as explained above, their own separate freehold titles. There is no basis on which they could possibly contribute pursuant to leases of units within the Property- precisely because they are not within the Property.
113. However, that leads on to 2 different points which are relevant but each in a different manner. Hence why whilst the Respondent's specific point as made was not correct, there are in the event somewhat related matters to consider.
114. The first flows naturally from the extent of the Property. There are parts of the exterior of the Building which are not also the exterior of this Property. Most obviously, the title to the outer retail units would be

expected as a freehold title to include the exterior to the ground floor for the distance that they extend back in the absence of any clear contrary provision- if there had been a single title for the Building and leases of the retail units, that would be a rather different situation.

115. Hence the request for the Applicants to provide the titles for those units.
116. Those titles demonstrate that freeholds for the side retail units do indeed include the external wall at ground floor level for as far as the units extend back. Those areas of external wall do not therefore fall within the Property. The Manager is not able to undertake any work to them and of course is not able to charge any service charges for work which he is not able to undertake.
117. In addition, whilst the roof to the Building does fall within the Property, there is a provision in the titles at clause 8 of the 1959 conveyances of each of the retail units that the owner of the retail unit will contribute one- third of the cost of work to the roof above. More particularly, the covenant given by the purchaser of each retail unit reads as follows:

“...to the intent that this covenant shall benefit the remainder of the Estate and every part thereof that he will not convey the Shop or any part thereof without procuring that the purchaser thereof shall enter into a covenant with the Purchaser (and as a separate covenant) with the Vendor of other the owner for the time being of the remainder of the Estate in terms identical with the provisions in Clause 7 hereof and this present Clause”.
118. The question of whether any obligation to contribute applies only to the original owner or also applies to subsequent owners is returned to below, although not answered.
119. The Manager is able to charge service charges for the works for which the Respondent could have charged had he undertaken the repair and maintenance works to the Property but that is only the full cost of the roof works if the lessees and the Respondent are required to pay that. If not, he can only charge for such of the cost- the alternative to all would be two- thirds- as is payable from service charges.
120. Covenants or other obligations as between the Property and the retail units are not, as mentioned above, the same as the manner in which the Respondent suggested the shops themselves may have to contribute. Instead, they are a question of the relationship between distinct freehold titles.
121. Whilst the position in relation to works to the exterior walls is clear- subject to the exact point at which the retail units end- the position in respect of the roof and whether the retail units will in fact be required to contribute is less simple.
122. As Mr Donegan submits in his supplemental submissions, it is unclear whether the provision about the retail units contributing one- third of the

cost for works to the roof above it and the respective flats will be enforceable now. That may depend upon whether any covenant is regarded as a positive one or a negative one and whether the current freeholders of the units were required to enter into covenants with the Respondent and did so.

123. The Tribunal puts matters no higher than “may” where it is not the role of the Tribunal to provide legal advice, there is no issue which has been raised as between the parties as to different positions which requires a -determination from the Tribunal and where there could in due course be matters on which the Tribunal is required to adjudicate. The Manager- and insofar as they wish to the other parties- may wish to seek legal advice and to then consider how the issue should be proceeded with.
124. If the freeholders of the retail units are established to be required to contribute to the cost of the roof works, plainly those contributions should be sought and the contributions received should be applied. To the extent that means that any of the parties have contributed more to date than they should need to the roof works, there are other works for which they are required to contribute and so any extra can be applied to the external and structural works and any further element dealt with as appropriate pursuant to the Manager’s powers and responsibilities. If the retail unit freeholders cannot be required to contribute and any attempts to nevertheless negotiate do not succeed, the full payment will have to be borne by the lessees and the Respondent as planned for.
125. Mr Donegan has proposed that certain specific provisions be made in the Order. The Tribunal addresses that point below.
126. The Tribunal repeats for the avoidance of doubt that it finds the above possibility of obtaining contributions from the retail unit freeholder was not any good reason for the failure of the Respondent to pay sums beyond the rent received by the Manager for the tenanted residential flats. Any contribution which should be made to works to the roof from the retail units and modest limits to the exterior wall works that can be undertaken may impact on the overall amount that he ought to pay for work but there is plenty more to be done yet. However, the issue does not go beyond that.
127. It follows that the concerns which do exist for the Tribunal with dealings with this issue by the Manager under the Order, or perhaps more accurately the lack of dealing with this issue, do not also mean that the Tribunal considers it appropriate for the management of the Property to be returned to the Respondent. The extent to which the Respondent may have a made a good point with impact on payments is nothing like sufficient to consider that the Respondent would actively address matters with the owners of the other freehold titles any more than it is anywhere near enough to suggest his commencement now of active and appropriate management more generally.

128. Whilst not directly relevant to the question of extension of the term of the Order, the Tribunal makes the more general observation that it appears to the Tribunal to make little sense for the parts of the exterior walls of the Building which fall within the title for the Property to be repaired and redecorated and the relatively modest areas which fall within titles for the retail units not to be. The additional cost for a contractor already on site and being able to access ground floor areas relatively easily to deal with those areas is likely to be quite modest and it would look somewhat odd for the remainder of the exterior of the Building to be in good condition but with relatively modest ground floor areas not so. It would be considerably preferable for the outside retail unit freeholders to agree to the same contractor attending to the areas of exterior belonging to them at the same time as dealing with the remainder. However, that must be a matter for negotiation- the Tribunal cannot compel any given approach from the freeholder of different property. Mr Pickard should undertake that negotiation and seek to reach an agreement if he can.

Other allegations by the Respondent

129. The Tribunal is additionally concerned to note that at one time or another within documents in the bundle, there are a number of allegations made against the Manager by the Respondent. Those are summarised in Mr Donegan's Skeleton Argument as follows below, which the Tribunal is content provides an ample summary for these purposes:

“The respondent alleges “THE MANAGER ABUSE ME WITH THIS ORDER AND BLOCKED ME FOR MANY YEAR STOPPING ME TO SELL ANY ONE OF MY FLATS TO PAY OFF MY DEBTS...” [47]. In a case management application dated 20 February 2026, he wrongly intimates that Mr Pickard has “manufactured costs” and blocked the sale of Flat 2 ;107]. He also alleges a conspiracy to bankrupt him and coercion.”

(The capitals appear in the Skeleton Argument and in the original communication from the Respondent.)

130. The Tribunal does not need to address that at any length, given that there is ample basis for extending the Order and for the additional three years for the reasons explained above. However, neither does the Tribunal consider it appropriate to simply leave those matters to one side, not least the assertions of fraud and coercion.

131. Both Mr Pickard and Mr Stevens refute those allegations in their witness evidence which is unchallenged in these proceedings. The Tribunal accepts that evidence.

132. The Tribunal finds that the Respondent's allegations are entirely without foundation and merit. The Respondent must cease to make any such allegations and instead to concentrate on fulfilling his obligations and by doing so help to facilitate Mr Pickard fulfilling his own obligations and in particular completing the required works to the Property.

133. It is also regrettable the Respondent has communicated in the sort of manner set out above because, the Tribunal finds, it has detracted from such good points as he has made and has somewhat inevitably coloured the perception of the Manager and the other parties of those.
134. The Tribunal re- iterates what ought to be the unnecessary observation that it is very much in the Respondent's interests for the works to be undertaken, for structural and decorative issues both to be attended to and for the condition of the Property to be significantly improved. Not only because the appointment could then end but also and rather obviously because of the wider fact that the Respondent is the freeholder- it is ultimately his Property- but particularly because he owns six of the twelve individual flats. Hence to the extent that the Tribunal has little doubt applying its expertise that the value of the flats has been reduced by the poor condition of the Property, equally the value of the flats will, the Tribunal is confident, be increased by the works being undertaken. Each flat owner will benefit, the Respondent in six instances.

Conclusion as to an extension

135. The Tribunal determines having considered the situation and in particular the matters discussed above that it is just and equitable to continue the appointment of manager Order.
136. Whilst there were elements of the Respondent's position with merit, his overall approach weighed heavily against returning the management of the Property to him. Whilst it will be identified that there are matters of management from the Manager which can and must be improved and which need to be addressed appropriately during the remainder of the term, the balance is very comfortably in favour of the extension.

The length of the extension

137. The Tribunal considers that the appropriate extension of the terms is one of 3 years.
138. Having concluded that the appointment should continue notwithstanding some concerns about matters to date, the question is how long is the minimum further period which will enable the matters which the Manager was appointed to deal with to be dealt with.
139. It is right to say that in order to have the works the purpose of the Order completed before the end of the 3 year- term, Mr Pickard will need to ensure that he is on top of matters, that he is pro-active in seeking to determine the funds needed for the remainder of the term of the extended Order, that he is equally pro-active in recovering those sums as early as practicable, that he engages with the shop unit freeholders appropriately as soon as their potential liability to contribute can be clarified and that he has the remaining works completed if at all possible. A clear eye must be had on the destination and to work back from that.

140. There is nothing unusual about such needs. Active completion of the matters which the Manager was appointed to address is very much part of the role. An updated management plan dealing with the above and for the extension now granted would be sensible.
141. The Tribunal has noted that a 5- year term was originally considered sufficient, although is mindful the complications caused in 2020 by the Covid pandemic and the further complications in 2021, although not for the entirety of either year and not preventing external building work, for example. The Tribunal has further noted that when an extension was sought in 2022, the up-to-date position then explained persuaded the Tribunal to grant a further 3 years of the 5 years sought. The Tribunal considered that a further period of 3 years from the original one- so approaching 3 ½ years from when that 2022 Decision was made- would be sufficient. The Tribunal must have had regard to the pandemic when the 2022 Decision was made, as being particularly recent.
142. Nevertheless, there is a further extension sought by the Applicant which would take the overall terms to the relatively startling length of 13 years overall- leaving aside the 2 years from 2014 to 2016.
143. There is something to be said for not extending beyond a further 2 years. Even that would produce a period of 10 years in which a manager has been appointed overall. If the conclusion to the repair works were closer in terms of matters remaining for attention, the Tribunal may very well have adopted that approach.
144. The Tribunal rejects the appropriateness of a 5- year extension. Whilst that would allow repairs to be spread out to a greater extent, it would involve 5 more years of Manager fees and 5 more years of interference with property rights. That should not be necessary and is not appropriate. The 3- year extension granted must be worked with.
145. The Tribunal is mindful that payments of sums required from the Respondent and from the Applicants and the other lessee have not been as swift as they ought and that there remain arrears. The Tribunal has discussed those issues somewhat above and cannot see the merit in repeating that. That is relevant to the current situation. It does not dictate the position moving forward and indeed it will be appreciated by the parties that the Tribunal expects a lack of leniency over non- payment.
146. In the event, the Tribunal is mindful that following the completion of the phase 2 works, there will be a phase 3 and perhaps what may be termed a phase 4 in respect of internal works and that those need to be costed as far as practical and demands made. Further that the consultation process- which should progress as swiftly as may be practicable- and the quotes received may reveal a need for additional funds. Whilst the Tribunal does not consider it impossible for those matters to be dealt with and the works undertaken within a 2- year period, and there is no discernible need to await the completion of the phase 2 works before

getting on with those matters, the Tribunal accepts that a 2- year period would be very tight and may impose an unnecessary burden on the parties.

147. However, the sooner the sums required are known, the sooner provision can be made to pay them, the sooner action can and should be taken to recover those sums should that be necessary (including potentially from the other freehold owners if they are liable in respect of the roof and negotiations fail) and the sooner work can be completed in the best interests of all. Hence, the grant of a 3- year extension should not be regarded by any party as suggesting matters should be allowed to drag on without forward movement to address the works required which go beyond those in phase 2. If the work can be completed sooner, it is open to a party to then seek an earlier end to the Order. With that in mind, allowing a longer period which could be reduced if appropriate is considered by the Tribunal to be a somewhat better approach than only allowing a shorter period with greater risk of insufficiency.
148. The Tribunal does not- and indeed cannot- entirely preclude the possibility of a further extension of the Order if all efforts have been made by Mr Pickard within the 3 years to complete the works required to the Property and that has been prevented by lack of payment from the Respondent. The Tribunal however very much hopes that will not provide relevant.
149. The Respondent should carefully note that. He should note that the delays in payment so far- and consequent effects on works- have been very relevant to the extension now granted. If the Respondent wishes the appointment to end, he may conclude that the most effective way to achieve that is to enable the Manager to do that for which he was appointed and for the task to be completed. That may include by ensuring that the Manager is in funds with some alacrity and that the remaining works are not delayed.
150. Equally, if completion of work is prevented by lack of payment by the lessees and the Tribunal refuses to extend, the lessees could have little complaint.
151. If the internal works and the proposed telephone entry system- if that can be installed whilst being an improvement, about which the Tribunal expresses no view at this time- are the only works remaining by the end of the further 3 years, the Tribunal considers that will carry much less weight than any outstanding external works. The Tribunal may very well conclude that those works alone would not merit the continuation of the Order, although necessarily that is a decision to be taken in the event the situation arises at the relevant later date.

Amendment to the Order

152. In principle, that could be the end of the matter for these purposes. There could simply be a modest extension to the original Order in a similar fashion to that made in 2022.
153. However, the Tribunal has concluded that is not the most appropriate approach to take. There are 4 points of obvious note.
154. Firstly, the form of the Order made in 2018 is somewhat different to the form of order appointing a Manager now used by the Tribunal. Indeed, the Tribunal's recollection is that the usual form of order has changed twice within the several years. That should not be taken to suggest any defect with the original Order: simply the Tribunal has considered that there are better ways of expressing matters and of making the powers and requirements clearer.
155. Secondly, the description of the Property is better amended to reflect the wording used in the title in any event, although this is a small matter.
156. Thirdly, it was said both in the hearing by Mr Pickard and in writing that one of the flats which falls within the freehold title is vacant. The long-term tenant has left in the relatively recent past. The aim is to rent that out again. That is logical. Currently, the flat stands empty and generates no income. The letting of it will provide additional income to that now received and will go towards the service charges payable by the Respondent.
157. As referred to above in respect of finances generally, Mr Pickard said that he had effectively earmarked recent rent received from the other flats which have been let by the Respondent to pay for refurbishment of the empty flat and to enable the letting of that. The Tribunal considers that could, in principle, be perfectly sensible, much as earmarked money should not be confused with arrears. However, the Tribunal does not consider that the existing powers permit that refurbishment.
158. It was apparent that Mr Pickard had assumed that they did. Mr Donegan referred to the Order enabling the Manager to manage the tenancies in accordance with the rights and responsibilities of the Respondent- clause 3.b. He also argued that paragraph 2. in the Schedule of Functions and Services within the Order would permit refurbishment. The Tribunal does not agree.
159. The Tribunal considers that the provision relied upon simply enables management of tenancies. The empty flat has no tenant. The proposed refurbishment is not work which is required in order to fulfil the obligations which the Respondent would owe to a sitting tenant, whether pursuant to terms implied by section 11 of the Landlord and Tenant Act or other express or implied terms of the tenancy agreement.
160. Rather, the work is work to a flat belonging to the Respondent which the Respondent could otherwise decide to undertake or not undertake and which flat the Respondent could seek to let out or not to let out.

161. It is right to say that the flat forms part of the Property and the Tribunal has noted the submission that provisions related to the Property generally could be construed as referring to the flat. However, there has been no suggestion of the Manager seeking to undertake works to the interior of any other flat and, most significantly, the Tribunal does not consider that the wording used in the Order covers work to the interior of flats in this situation.
162. All that having been said, in a situation in which funds are required for works- and a not inconsiderable sum in funds may be required over a not that lengthy period- it is important to maximise the prospect of the empty flat being rented out insofar as reasonable. The Tribunal considers it appropriate that the Manager is able to arrange that letting in addition to any subsequent management of the tenancy and is able to ensure that work which is appropriate to achieve a suitable rental sum is undertaken.
163. The Tribunal observes that there will be something of a balance to strike. There is no doubt a rent which could be achieved for the flat in its current condition, whatever that may be. There will be an amount of expenditure which would enable a somewhat better rent to be achieved. There may then be other expenditure which could be incurred which would achieve higher rent again, however the question may be by how much. The money which is spent on refurbishment could otherwise be used towards other works to the Property. The additional rental income achievable over and above the sum achievable for the flat in its current condition will reimburse the refurbishment cost over a period of time but that time may be months or even years- potentially somewhat longer than the length of the extension to the Order- and that may or may not be a step forward from a perspective of the works currently required to be undertaken to the Property.
164. Striking that balance between the likely cost of works and the likely return on the works being undertaken is a matter for the Manager applying his experience and expertise and he will need to make a decision about that. It is not a matter for this Tribunal. The matter for the Tribunal is to give the Manager the power to undertake such refurbishment as he considers to be cost- effective and proportionate having regard to other potential uses of any capital involved and the benefit likely to be achieved month by month in increased rental income.
165. The immediate point is that the further power which the Tribunal considers appropriate is another reason why the terms of the Order require amendment, such that refurbishment is enabled if considered appropriate.

There will need to be careful accounting for sums spent on refurbishment. The Respondent will benefit from an improved flat. The expenditure is not a service cost. The Manager will need to consider appropriate mechanics.

166. The fourth point relates to the need for the Manager to seek contributions from the freeholders of the retail units.
167. The Tribunal considers it appropriate to include that as one of the particular purposes of the amended Order. It is an important matter and the Manager needs to address it.
168. Returning to the wording Mr Donegan sought to have included in the Order, there are two proposed provisions, one a direction to the Respondent to inform the Manager of any direct covenants entered into with him by the freeholders of the retail units. The other is a direction for the Manager to seek legal advice and take legal action, or presumably other steps short of that, as appropriate.
169. On one level, neither of those provisions may be required. It is patently in the interests of the Respondent to provide the information about covenants. It would relate to the point he has broadly made about contributions from the retail units- he of course referred to the shops, which is not quite the same thing- and he has been enthusiastic about such contributions being sought. If the retail unit freeholders are required to contribute, that will produce a saving for the Respondent. The Respondent will sensibly wish to assist the seeking of such contributions as much as possible.
170. Equally, the Manger ought not to require a direction given that he will no doubt be very mindful of the observations made in this Decision and he will note the particular purposes of the amended Order. The direction would be to do no more than he obviously ought. The Tribunal considers the direction proposed to be largely unnecessary and that rights and obligations of the Manager amply encompass the point. Nevertheless, on balance and as this as relationship with the retail unit freeholders is a specific issue which has arisen, the Tribunal is persuaded that it is sensible to specifically make a suitable provision about steps and funding of them for the avoidance of doubt.
171. The Tribunal also makes the direction to the Respondent. It seems to the Tribunal that it may be useful to the Respondent in any dealings with the retail unit freeholders for there to have been the direction and the direction clarifies matters for all parties to the case. Those are more than sufficient reasons such that it is not necessary to comment on the other reasons which also exist.
172. For completeness, the Tribunal provided a draft of the proposed order, following addressing the above matters, to the parties with an invitation for the parties to inform the Tribunal if it were considered that any matters provided for in the original Order had somehow been omitted when the form of order was amended. Mr Donegan responded identifying clerical and similar matters but with no omission being identified.
173. In addition, there were modest extensions of time sought by the Manager in respect of matters at the end of the term. Whilst those strictly fall

outside of the matters about which the parties were invited to comment, the Tribunal has considered them and amended to an extent. There were additionally various matters raised by the Respondent but going far beyond the matters on which the Tribunal had said it would consider comments and where the Respondent was otherwise barred as noted above.

Order

174. The Tribunal therefore makes an Order in updated terms, emphasising the reasons why the Manager has been appointed and the steps required of him during the further term given and addressing other matters identified above, extending the period for a further 3 years.

Applications in respect of costs and refund of fees

175. The Applicants have made an application pursuant to section 20C of the Landlord and Tenant Act 1985, seeking an order that legal costs incurred by the freeholder in respect of this application should not be recoverable through service charges.

176. In terms of the case authorities usually cited, the provisions of section 20C were considered in *Re: SMCLLA (Freehold) Ltd's Appeal* [2014] UKUT 58, where the Upper Tribunal held that:

“although [the First-tier Tribunal] has a wide jurisdiction to make such order as it considers just and equitable in the circumstances” (at paragraph 25), “an order under section 20C interferes with the parties’ contractual rights and obligations, and for that reason ought not to be made lightly or as a matter of course, but only after considering the consequences of the order for all of those affected by it and all other relevant circumstances” (at paragraph 27).

177. In *Conway v Jam Factory Freehold Ltd*, [2014] 1 EGLR 111, the Deputy President Martin Rodger QC suggested that it was:

“essential to consider what will be the practical and financial consequences for all of those who will be affected by the order, and to bear those consequences in mind when deciding on the just and equitable order to make”.

178. In *Bretby Hall Management Co Ltd v Pratt* [2017] UKUT 70 (LC), Judge Behrens added, amongst other points:

*“2. The circumstances include the conduct of the parties, the circumstances of the parties and the outcome of the proceedings.
4. The power to make an order under s.20C should only be used in order to ensure that the right to claim costs as part of the service charge is not used in circumstances which make its use unjust.*

179. In the Skeleton Argument, reliance is also placed on a further case authority less commonly cited of *The Tenants of Langford Court v Doren Ltd* LRX/37/2000. The point advanced is that the Tribunal's discretion as to section 20C is wide and unfettered. The Tribunal accepts that in very broad terms, although in exercising that discretion the judgements of the above case authorities must be considered and, where relevant, applied.
180. Mr Donegan submitted that the Lease does not permit the Respondent to charge any costs of these proceedings as service charges. In that event, an order under section 20C is unnecessary.
181. He identified that the Lease mentions that recovery of expenses in limited terms. There is the usual clauses related to legal costs and similar related to forfeiture of a lease and provisions in relation to lack of repair of the flat by a lessee and in respect of recovery of money unpaid by the lessee. The Tribunal does not find it necessary to quote them.
182. The Tribunal does not consider that is sufficient to encompass costs of these proceedings. Rather, the Tribunal determines that for the Respondent to be able to recover costs, especially but not limited to legal costs, a specific provision would be required. The Tribunal is mindful of case authorities on the point and has considered the principles expressed but does not consider it necessary to detail those authorities given that none were cited by a party.
183. However, just in case the Tribunal may be wrong in that regard, the Tribunal considers whether any costs which could otherwise be recovered by the Applicant should be disallowed as recoverable.
184. In respect of that, the Applicants have succeeded in obtaining an extension of the term of the Order, if not the full extension sought. If the Respondent had agreed, the proceedings would not have been wholly unnecessary but would have been rather different. The outcome alone is not determinative, although it is never irrelevant. The Tribunal will always bear in mind and has borne in mind the potential practical and financial consequences of the approach taken.
185. The Tribunal is satisfied, in the circumstances of this case, that, if the Respondent has the ability under the leases to recover from the lessees any costs associated with this application for the Tribunal, such costs should not be so recovered through service charges.
186. The Tribunal therefore grants the Applicants' application under s.20C of the Landlord and Tenant Act 1985 that costs incurred by the Respondent in respect of this application should not be recoverable through service charges.

RIGHTS OF APPEAL

1. A written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case at the Regional office which has been dealing with the case by email at rpsouthern@justice.gov.uk.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the date this decision is sent to the parties.
3. 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.
4. The application for permission to appeal must state the grounds of appeal and state the result the party making the application is seeking. All applications for permission to appeal will be considered on the papers. Any application to stay the effect of the decision must be made at the same time as the application for permission to appeal.