FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	HAV/00HH/LVM/2025/0006
Property	**:**	Sunhill Apartments, 19 Alta Vista Road, Paignton, TQ4 6DA
Applicant	**:**	Mark Christie, Tribunal Appointed Manager
Representative	**:**	Property Management Legal Services Limited
Respondent	**:**	(1) Mr and Mrs Morgan (freeholder) (2) The Lessees
Representative	**:**	
Type of Application	**:**	Variation of appointment of a manager
Tribunal Member(s)	**:**	Tribunal Judge Skinner Mr P Smith FRICS
Date of Decision	**:**	6 October 2026

DECISION

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Summary of Decision

1. **The Applicant's application for the variation of a Management Order is granted.**

2. **The Tribunal extends the term of appointment of Mr Christie as the Manager of the Property up to 31 October 2029 and proposes to vary the Order to extend powers to the Manager as per the draft order supplied with the application.**

3. **The parties are given permission to provide written submissions on the express terms of the draft Order by 23 October 2026 in accordance with the Directions set out below. The Tribunal will then proceed to make a final order having considered those submissions. The parties may make a joint submission if agreed.**

Background

1. This application concerns Sunhill Apartments, 19 Alta Vista Road, Paignton, Devon TQ4 6DA ("the Property"). The Property is a residential block comprising 12 apartments. Although some earlier documents in these proceedings referred to 13 apartments, however it is not disputed by the parties that there are, in fact, 12 apartments.

2. The Applicant is the Tribunal-appointed manager of the Property pursuant to section 24 of the Landlord and Tenant Act 1987 ("the 1987 Act"). He is the managing director of Residential Block Management Group Ltd, trading as Plymouth Block Management ("PBM").

3. The First Respondents are Michael William Morgan and Barbara Morgan ("Mr and Mrs Morgan"). They are the registered proprietors of the freehold interest in the Property, registered at HM Land Registry under title number DN78429. The remaining Respondents are the proprietors of the long leasehold interests in the other apartments at the Property.

4. Long leases have been granted in respect of Apartments 1, 2, 3, 4, 7, 8, 9, 10, 11 and 12. No long leases have been granted in respect of Apartments 5 and 6, which therefore remain comprised within the freehold title. At the commencement of these proceedings Mr and Mrs Morgan were also the registered proprietors of the leasehold interests in Apartments 1, 7, 8, 9 and 12. Together with Apartments 5 and 6, they consequently held interests in seven of the 12 apartments.

5. During the course of this application. there has been a change in ownership in relation to Apartment 1. The Applicant's second witness statement records that the leasehold interest in that apartment was transferred by Mr and Mrs Morgan on 13 February 2026. The Applicant

says that PBM first became aware that the transfer had completed when contacted by the purchaser's solicitor on 3 June 2026. Accordingly, by the time of the final hearing Mr and Mrs Morgan remained the freeholders and continued to hold interests in Apartments 5, 6, 7, 8, 9 and 12; the question of liabilities attributed to Apartment 1 before its transfer nevertheless remained relevant to the Applicant's case.

6. The management of the Property has been subject to orders of this Tribunal for a considerable period. Martin Woodhead was originally appointed by the Tribunal to manage the Property in December 2012. His appointment was subsequently extended, including by an order in 2015, until 31 December 2020. The management order was further varied by a decision dated 6 October 2020 to permit the manager, in specified circumstances, to recover from a defaulting lessee or freeholder the reasonable and proper costs incurred in proceedings concerning breaches of covenant or recovery of sums due under the order.

7. By a management order dated 3 January 2021, Mark Christie succeeded Martin Woodhead. Mr Christie had initially been appointed as interim manager for the period 1 January to 31 March 2021 and was thereafter appointed as manager for a term commencing on 1 April 2021 and ending on 31 December 2025. Among other matters, the order conferred responsibility for administering the service charge, maintaining and repairing the Property, arranging insurance and recovering unpaid sums.

8. The present proceedings arise from an application made by Mr Christie under section 24 of the 1987 Act to extend and vary his existing appointment. The application, dated 17 December 2025, was received by the Tribunal on 18 December 2025, shortly before the existing appointment was due to expire on 31 December 2025.

9. In summary, the Applicant seeks a further three-year appointment, to 31 December 2028, together with amendments to his existing powers. His case is principally that substantial arrears attributable to the interests held by Mr and Mrs Morgan have impaired his ability to fund necessary management and maintenance works at the Property. The proposed variations include provisions designed to secure payment of those liabilities, including provisions concerning rental income from apartments held by Mr and Mrs Morgan. The Applicant has also sought additional or clarified powers concerning ground rent, access to cupboards or storage areas at the Property, and other aspects of the management arrangements. Those matters are disputed by Mr and Mrs Morgan.

10. The Applicant's original preliminary submissions put the arrears attributable to the seven apartments at approximately £25,951.22. Mr Christie's first witness statement, dated 30 January 2026, stated that

the amount had risen to £32,563.98. His second witness statement, dated 20 August 2026, stated that it had risen further to £36,544.59.

11. The Tribunal issued directions on 8 January 2026. The Tribunal was satisfied that the application had been made before the existing appointment expired and that it had jurisdiction to extend the appointment on an interim basis. It considered it just and convenient to do so pending substantive determination of the application and ordered that Mr Christie's appointment continue until further order.

12. A case management hearing took place by video on 23 February 2026. A that hearing, Mr Morgan explained, amongst other matters, his understanding that the flats were owned by Haleburn Ltd and that he and Mrs Morgan were directors of that company. The Tribunal explained that, on the material then before it, Mr and Mrs Morgan appeared to remain the legal owners of the relevant interests and might consequently be personally liable for the service charges. Mr Morgan was encouraged to obtain independent legal advice.

13. The substantive hearing was originally listed for 11 May 2026 at Newton Abbot Magistrates' Court. The Applicant complied with the direction to prepare the hearing bundle and filed and served it electronically on 1 May 2026.

14. On 8 May 2026, shortly before the hearing, Mr and Mrs Morgan made a case management application seeking an adjournment. The application was based upon Mr Morgan's health: he had recently been admitted to hospital and treated for pneumonia and was said to have been medically advised that he was not then fit to participate in the hearing either in person or remotely. Because of the timing of the application, it was dealt with as a preliminary issue on 11 May. The Applicant, who was represented by counsel, did not oppose the adjournment.

15. By directions dated 11 May 2026, the Tribunal granted the adjournment. It concluded, having considered Rules 3 and 34 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, that despite the lateness of the application the prejudice to Mr and Mrs Morgan in proceeding in their absence justified an adjournment. The Tribunal also recognised the resulting prejudice to the Applicant and the impact of further delay.

16. The directions required Mr and Mrs Morgan, by 8 June 2026, to send both to the Tribunal and to the Applicant the detailed medical records, medical recommendation and any other documents relied upon in support of the adjournment application. Paragraph 7 expressly provided that, if they failed to comply, they would be barred under Rule 9 from adducing further information or evidence or making submissions at the relisted final hearing. Mr Christie's appointment was again expressly extended until further order.

17. Mr and Mrs Morgan sent material to the Tribunal on 1 June 2026, but did not at that time send it to the Applicant. The Tribunal wrote to them on 2 June reminding them that the material had also to be supplied to the Applicant by 8 June. On 9 June at 15:01, the Applicant's solicitor notified the Tribunal that she had received no such material. Later that day, at 17:29, Mrs Morgan forwarded to the Applicant the email and attachment which she had sent to the Tribunal on 1 June, explaining that two copies had inadvertently been sent to the Tribunal rather than one to the Applicant.

18. In August 2026 Mr and Mrs Morgan indicated that they were attempting to retain solicitors to represent them. They subsequently sought a further postponement of the relisted hearing, stating in substance that their new representative had only recently received the case papers and required time to prepare. The Applicant opposed that application, relying among other things upon the previous adjournment, service of the hearing bundle on Mr and Mrs Morgan on 1 May, the subsequent provision of the bundle to the proposed representative on 7 August, and the position concerning paragraph 7 of the directions of 11 May.

19. The Tribunal refused that application on 17 August 2026. In doing so, it took account of the earlier adjournment, the Applicant's objection, the period available to the newly instructed solicitor to prepare for the final hearing, and the fact that the Respondents were then subject to a barring order. The Tribunal concluded that, having regard to the history and the overriding objective, the further adjournment should be refused.

20. On 20 August 2026, the Applicant filed a second witness statement from Mr Christie, giving an update as to matters arising since his first witness statement. Those matters included the continuing arrears position, the transfer of Apartment 1 and the procedural history following the adjourned hearing. Because the directions then in force had not provided for a second statement from the Applicant, the Applicant made a case management application under Rules 7(2) and 6(3)(c) seeking permission to rely upon it.

21. By a decision dated 28 August 2026, the Tribunal granted that application. The Tribunal considered that an updating statement from the Tribunal-appointed manager would assist it by providing current evidence concerning developments since the postponement. It also considered that the statement had been served sufficiently in advance of the relisted hearing and that the resulting prejudice to the Respondents was not significant. Mr Christie's second witness statement was therefore admitted in evidence.

22. Against that background, the substantive matters for the Tribunal concern whether the appointment of Mark Christie should continue and, if so, for what period and upon what terms, and which, if any, of the additional powers and variations sought by him should be

incorporated into the management order. There is also a procedural issue, arising from the directions of 11 May 2026, concerning the extent to which Mr and Mrs Morgan were entitled to adduce further evidence or make submissions at the final hearing.

23. The Tribunal has been provided by the Applicant a determination bundle consisting of 432 pages. The parties also submitted in advance of the hearing skeleton arguments. The Tribunal has read the bundle and all associated material. References in this decision to page numbers in the bundle are indicated as [ ].

24. The final hearing was re-listed to take place at Newton Abbott Magistrates Court on 7 September 2026. Both the Applicant and Respondent attended the hearing. The Applicant was represented by Mr Jukes of Counsel and the Respondent was represented by Mr Jones also of Counsel.

25. The lack of mention of any particular document or submission should not be regarded as indicating that it has not been taken into account. The Tribunal has focused on the key issues identified that require determination. In writing this decision the Chairman has had regard to the Senior President of Tribunals Practice Direction – Reasons for Decisions, dated 4 June 2024.

The Law

26. The relevant statutory provisions in respect of applications regarding the appointment of managers are found in s24 of the 1987 Act. Much of that relates to the initial appointment of a manager.

27. 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.*

28. 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.

29. The question for the Tribunal to consider as explained above is whether extending the term of the appointment and extended the powers of the manager under the order is just and convenient. There is no need to examine any other criteria which might have rendered an appointment appropriate in the first place.

30. 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 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

31. At the start of the hearing the Tribunal dealt with a preliminary issue. Counsel for the Respondent made an application for relief against the current debarring of the Respondent following the Respondent's failure to comply with the requirements of the directions order dated 11 May 2026.

32. The paragraph 6 of directions order of 11 May 2026 stated as follows:

> *In the event that the Respondent fails to comply with paragraph 6 above, the Respondent will be barred in accordance with Rule 9 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 from adducing any further information or evidence in these proceedings or making any submissions at the re-listed final hearing.*

33. The details that led to the breach of the above direction are set out at paragraphs 16 and 17 above and are not in dispute factually between the parties.

34. Counsel for the Respondent submitted that this amounted to human error and confusion on behalf of the Respondent. The evidence the Tribunal required to support the postponement of a hearing that had already been vacated was supplied to the Tribunal on time and the failure to provide the Applicant with a copy was due to the Respondent claiming a “double sending” of the e-mail.

35. In essence it was an error but one that did not prejudice the Applicant substantially because it was remedied very quickly upon the Tribunal notifying the Respondent of the default. There was no prejudice to the final hearing now proceeding and that ultimately it would assist the Tribunal to receive submissions from the Respondent when looking at the matter as a whole.

36. In response the Applicant pointed out that the direction was clear and the deadline was missed and the excuse provided did not appear to be a good one. The reasons why the hearing on the 11 May was vacated required supporting evidence and the subsequent failure to meet with those directions should be treated as serious.

37. On balance the Tribunal determined that it would grant relief and exercise its case management powers under Rule 6 and Rule 8 The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 to allow submissions and to wave compliance with the direction on the basis it was just and proportionate and in the interests of justice to do so.

38. The Tribunal finding that the breach of the directions order was serious but not substantial. It was serious because of the circumstances that had led to the vacating of the final hearing on 11 May 2026 and the prejudice that caused. Supplying proper evidence to back up the reasons why the hearing was vacated was an important part of ensuring the Tribunal has had exercised its discretion correctly. The Tribunal was not convinced that a good reason for the breach had been evidenced or set out but when considering the matter as a whole the total circumstances and proportionality of the situation, it agreed it would be helpful to the Tribunal to have submissions made by the Respondents at the final hearing and in light of no new evidence or documentation having been attempted to be supplied by the Respondent (save for the statement in support of the relief from sanctions), on balance it was proportionate to permit submissions from the Respondent.

39. In opening the Applicant set out the legal powers available to the Tribunal under the Landlord and Tenant Act 1987 when considering an application to vary an appointment of manager order. The Applicant submitting the requirement to extend the length of appointment and extend the powers available to the manager was driven largely by the Respondents failure to pay service charges which created significant service charge arrears. It was submitted the amount owed now amounted to more than a total years service charge. There are no reserve funds the manager can call upon and on a simple basis, without funds, the manager cannot complete the works that are required at the property and essentially discharge their duties and complete their appointment as a manager

40. Mr Christie gave evidence confirming his first and second witness statements as true and accurate to the best of his information and belief. He confirmed Plymouth Block Management was situated approximately 40 to 50 miles from the Property and that the company manages around 150 blocks in total, employing around 18 staff. Mr Christie confirmed that delegation of work was important in managing sites and that in terms of site visits a member of staff attended at the Property around twice a week and he attended personally around once every two months.

41. In cross-examination, Mr Christie stated he was not aware of the extent of the balcony works required before his appointment and had not been aware the Property was converted from previously operating as a hotel. In his handover with the former manager Mr Woodhead he had not been appraised of the extent of the works required or that the Respondents had commissioned the major conversion work required to turn the hotel into residential premises.

42. Mr Christie suggested he had not spoken to the Respondents prior to his appointment, nor was aware of the Respondents belief that Haleburn were the legal owners of the Respondents properties, only becoming aware of their beliefs after speaking with them post his appointment as manager.

43. In relation to Haleburn, Mr Christie suggested he had not been notified in advance of his appointment that Haleburn paid service charges on behalf of Mr Morgan and only became aware after he had been appointed manager. As far as Mr Christie was concerned demands for service charges went direct to the Respondents as per legal requirements and it did not concern him where payments came from or how the Respondents arranged meeting those liabilities.

44. Mr Christie suggested that the reason why correspondence and demands had not been sent direct to Haleburn was due to the Land Registry documents confirming the Respondents as the legal owners. Mr Christie suggested it wasn't common in his experience for demands to effectively be sent to agents on behalf of leaseholders and that legal compliance was his priority. When pushed Mr Christie confirmed if he was authorised by the Respondents to communicate with Haleburn as agent he would do so but only in addition to corresponding directly with the Respondents as well.

45. Mr Christie confirmed that Haleburn made monthly direct debit payments towards the service charge accounts but those monthly payments fell short of the demands and amounts due. Mr Christie did not believe it was appropriate to request changes to those direct debits directly from Haleburn as they were not the legal owners of the lease and Mr Christie again reiterating his belief that it was the Respondents responsibility to engage with the demands raised and to settle those invoices.

46. Mr Christie was questioned on the arrears relating to flat 1 which had recently been sold. Mr Christie did not have exact figures but felt around £4,000 was outstanding. When asked what efforts he had made to try and improve the relationship with the Respondents, Mr Christie said when he had spoken to Mr Morgan previously, Mr Morgan was unhelpful. He had attempted writing to the Respondents but in light of what Mr Christie viewed as unhelpful and hostile emails from the Respondents, it was felt there was little merit in trying to continue with meetings and conversations.

47. In respect of the works required on the balconies, Mr Christie couldn't recall exactly when he first became aware of the issue. He was referred to the report from Barrons [208] which was addressed to Plymouth Block Management. Mr Christie confirmed the matter had not been referred to insurers as per the Respondents request on the basis of a professional decision he had been made that on the likely costs involved, the insurers would be unlikely to cover those costs and that a section 20 consultation process was more appropriate.

48. Mr Christie confirmed that based on the current level of arrears, the balcony works cannot be financed and that there are other competing priorities and management required meaning the balcony works could not be commissioned until those arrears were cleared.

49. It was accepted that the working relationship with the Respondents had broken down and it was felt all communication needed to be in writing because conversations proved too difficult. Mr Christie felt the Respondents were very rude to him. Mr Christie gave the example of the storage cupboards that required inspection for the purposes of a fire risk assessment and the Respondents refusal to assist in ensuring reasonable access to the same.

50. Mr Christie confirmed that in respect of the use of the bins that variation was no longer being pursued as it was felt to be a trivial issue compared to the more pressing issues of the service charge arrears and access to communal cupboards for fire risk assessment purposes.

51. In response to questions from the Tribunal, Mr Christie set out details of how Plymouth Block Management operated a complaints procedure to allow leaseholders to raise concerns over service delivery and behaviours and that whilst not common he had previous experience of dealing with unhappy leaseholders who raised complaints and grievances around the management of blocks.

52. Mr Christie confirmed he felt three years was needed as an extended period of time on the basis it would allow sufficient time to collect monies owed (assuming some extended powers were granted) and then allow funding of the needed works which would hopefully then conclude the requirement for the appointment of a manager.

53. Mr Morgan gave evidence to the Tribunal on behalf of the Respondents, his statement was confirmed as true to the best of his information and belief. Clarification was given over the structure of that statement, it appearing in reverse in the bundle. Further it was confirmed that the statements were written in Mr Morgan's personal capacity as the freehold owner of the Property.

54. Mr Morgan confirmed he was the joint freeholder of the Property and had ultimately misunderstood the effect of the deed of trust transferring the beneficial interest of the Property and leases owned by the Respondents to Haleburn. Mr Morgan suggested having spoken to the person who drafted the document, he wasn't aware of any requirements to lodge it with the Land Registry and had not been clear of its effect in law over the legal ownership of the subject properties within the trust.

55. Mr Morgan confirmed he had advised the previous manager of the involvement of Haleburn about the arrangements to pay monthly direct debit towards service charges but could offer no explanation as to why in previous Tribunal proceedings [429] there had been no substantial references to Haleburn.

56. Mr Morgan accepted that demands for service charges had been served upon him personally but suggested the Applicant should have known Haleburn were paying on his behalf so should have written to them to request changes to direct debits that were in place. Mr Morgan confirmed he had made no challenge to the reasonableness of the service charges demanded

57. Mr Morgan confirmed he had not met Mr Christie before this hearing but had communicated with Plymouth Block Management, confirming he had sent a substantial number of emails, including one that showed knowledge of the section 20 consultation process [325].

58. Mr Morgan confirmed that flat 1 had recently been sold and was therefore the Respondents were no longer the legal owners. Mr Morgan confirming that when completing the sale, he sold the legal interest and not Haleburn.

59. Mr Morgan confirmed his belief that the repair works to the balconies should have gone to insurers rather than being subject to a section 20 consultation process, making reference to the “London way” and things being done very differently in Devon.

60. Mr Morgan was questioned around allowing access to 4 cupboards for the purposes of the fire risk assessment. Mr Morgan spent time setting out the location of these cupboards at the Property, setting out that the electric meter cupboard was unlocked and that the key to a second cupboard was situated in the unlocked electric meter cupboard, so access wasn’t an issue.

61. The Tribunal spent a significant amount of time trying to understand the location of a cupboard used by flat 9. Despite questioning it was still not clear if the cupboard in flat 9 formed part of the demise to flat 9 and thereby attract the exclusive use of the owners or whether it was a store cupboard in common parts and therefore in need of access for fire risk assessment purposes. The Tribunal was told that it contained parts of a broken sauna, a concrete mixer and incidental items and that the cupboard was situated from a staircase that accesses a room that had previously been a wine cellar.

62. Mr Morgan said his own electrician provided safety certificates for the electrical installations and the cupboard but he had not sent those to Mr Christie because Mr Christie had never asked for them.

63. Mr Morgan was pressed on when he intended to clear the service charge arrears. After approximately 5 attempts at questioning, Mr Morgan offered to clear the arrears within 12 weeks of the hearing. Mr Morgan suggested that the funds to clear the service charge arrears from the sale of flat 1 were held in an account with his solicitors. However because Plymouth Block Management had yet to instruct those solicitors to release the funds, they had not been transferred.

64. Upon questioning it was clear that Mr Morgan had not instructed his solicitors to pay those monies and he was waiting on the outcome of these proceedings. Mr Morgan explained that funds from the sale had been used for other works and other expenses, that the property had been mortgaged but the proceeds available from the sale had been earmarked for use in other ways.

65. Mr Morgan suggested that diverting rental income under the proposed terms of the extended order would actually take longer to clear the arrears than his proposal of clearing them in 12 weeks time.

66. In closing, Counsel for the Respondent outlined the points raised in the skeleton argument that had been submitted. In summary the Respondent focused on the misunderstanding held by the Respondents over the trust document, its effect legally and the engagement of Haleburn. It was accepted now that legal title was unaffected by the trust and only the beneficial interest has moved.

67. The Respondent submitting that Mr Christie had not made efforts to engage with the Respondents constructively and the relationship had clearly broken down but that in light of Mr Christie's approach to the Respondents, the Tribunal should not extend the powers as sought and that it was disproportionate given Mr Christie was at least partly to blame for where the matter now found itself.

68. The Respondent suggested that Mr Morgan now recognised the arrears needed to be cleared and that the Tribunal could give a period of time for Mr Morgan to clear those arrears before any extended powers were triggered. The Respondents had genuine concerns over the amounts

claimed in arrears in respect of flat1, as evidenced by Mr Christie not being able to identify the exact arrears due at the date of sale.

69. The Respondent submitting that Mr Morgan's evidence was as helpful as it could be on the issue of the store cupboards and that the issue relating to the bins, which although was not being progressed, was evident of how the relationship had broken down and an unreasonable approach was being taken by Mr Christie.

70. In closing the Applicant submitted that the Respondents had left it until only a matter of days before the final hearing to take proper advice over the construct of a legal document they had previously had professionally prepared. It was now accepted that the Respondents were responsible for the service charges and the legal title to the relevant freehold and leasehold interests held by the Respondent had not been affected by that deed of trust. The service charge demands and accounts had been sent to the correct parties legally and the involvement of Haleburn was not enough to amount to a change in those legal responsibilities.

71. The Tribunal needed to consider whether it was just and convenient to extend the order appointing the manager both in terms of time and powers available. The Applicant submitted that Mr Morgan's promises to now clear those arrears could not be given credibility given it took substantial questioning to get an answer and he had still not cleared the arrears owed following the sale of flat 1.

72. The Applicants disputed there had been hostility from Mr Christie towards Mr Morgan and that Mr Morgan had never engaged the complaints procedure that was available and had not made efforts to engage properly with the obligations placed upon the manager, nor made any applications to the Tribunal to discharge the manager. Mr Morgan's evidence was not clear and there was a real risk that without the extended term and extended powers the issues that required the appointment of a manager in the first place would not be resolved.

73. The Applicant pointed out that in real terms the extended appointment for a further three years was not really opposed but that in order to resolve the works that the Property required, funding had to be put in place. The existing arrangements had clearly not been sufficient to ensure that funding was in place and therefore when asking if it was just and convenient to extend the powers available under the order, the Tribunal should have confidence to do so.

Decision

74. The tribunal has carefully considered the submissions and evidence of the applicant and respondents on its assessment of the same the tribunal find that it is just and convenient to extend the appointment of the manager for a further three years

75. In many respects this was not contentious between the parties it being accepted that works are still required on the balconies and that further time is clearly required to arrange for and complete those works.

76. The Tribunal finds that if it were to not extend the appointment, it is highly likely the issues that led to the original need for an appointment of manager in this matter would effectively reoccur as the works have not been completed.

77. The Tribunal has still considered in all the circumstances if it is just and convenient to extend the time period and prefers the evidence of Mr Christie on this point that three years is a suitable period of time in which to continue to seek clearance of the service charge arrears and to put in place funding to allow confidence to then commission those outstanding works. In all the circumstances a further three years is proportionate and the Tribunal finds it just and convenient to extend the appointment on that basis.

78. The Tribunal next turns to consider on the evidence whether it is just and convenient to vary the existing management order and extend the powers granted under the management order as set out in paragraph 9 above.

79. In closing, Counsel for the Applicant asked retrospectively, "why are we here?" That might be considered a strange question given its his clients application. However the question is very relevant to the legal considerations the Tribunal has to apply.

80. The Tribunal in effect needs to step back and consider the legal test of whether it is just and convenient to grant the variation sought. In conducting this exercise, the Tribunal steps back and considers the nature of the appointment of a manager. The appointment is to put right failings that were occurring and is designed to be time limited, the manager steps in to resolve a specific issue or issues and once resolved, the order expires.

81. The original appointment of management order in this matter identified works that were required and the freeholder was not sufficiently engaging and conducting them, hence the need for a manager. It is in that context that the Tribunal considers whether it is just and convenient and is viewed in light of the purpose of the appointment along with the evidence available at the date of the hearing to allow the Tribunal to consider what might be required in the future to allow the manager to satisfy the purpose of the appointment.

82. As indicated, above no variation can be made if it is likely to return matters to the original circumstances that led to the original appointment.

83. The Tribunal has carefully considered the evidence. It is not substantially in dispute that the large service charge arrears that are

present on the account are preventing the works from progressing. Those service charge arrears are attributable to the Respondents. The evidence shows that there have been arguments about who should have been notified about the need to address those arrears, the Respondents suggesting Haleburn were the legally responsible party and that position only changing at the most a matter of days before the final hearing upon receipt of legal advice.

84. The Respondents argue they had an element of confusion over Haleburns legal standing and interest in the subject properties. The Tribunal attaches little weight to that excuse. It was incumbent upon the Respondents to understand the nature of the legal relationship they created under the deed of trust and the impact that may have on legal rights and responsibilities. In this situation the Applicant quite rightly continued to raise demands of the legal owners (ie. the Respondents) and serve notices relating to section 20 consultations on the same. Legally that is what is required for such demands to be valid and no evidence has been provided to suggest otherwise.

85. Mr Morgan in evidence suggested that Mr Christie should have told Haleburn directly to change the amount being paid via direct debit. The Tribunal does not agree. It is incumbent on the Respondents to ensure those valid service charge demands are met and paid for and that responsibility does not pass to the Applicant on the evidence before this Tribunal.

86. In evidence Mr Morgan suggested that funds might be available to clear all service charge arrears but this was only after he was pressed. Mr Morgan provided no evidence to support where that money was coming from and gave no proper commitment to payment beyond the Tribunal being invited to prefer his evidence and to rely on his submissions, that being sufficient in the Respondents view to refuse the extended powers applied for.

87. The problem the Tribunal has with relying on this evidence can be demonstrated through Mr Morgan's conduct and evidence in relation to the sale of flat 1. As was highlighted by the Applicant, no reference was made to the sale of flat 1 within the Respondent's statement of case despite it being highly relevant at the time of submission. The Tribunal found that Mr Morgan was evasive when questioned about the sale but ultimately had to confirm the legal title was sold by the Respondents meaning as of February 2026, Mr Morgan can have been in no doubt as to the operation of the deed of trust that was relied upon right up until the final hearing to suggest legal ownership sat with Haleburn.

88. Further when questioned about the funds and the proceeds from the sale, Mr Morgan although stating the flat had been subject to a mortgage, then went on to advise that funds from the sale beyond clearance of that mortgage, were being used for other works that he prioritised. Mr Morgan's evidence was that there were funds sat in an account to clear the service charge arrears applicable to flat 1 but they

had not been released, initially suggesting Plymouth Block Management simply hadn't instructed the solicitors acting for Mr Morgan to make that payment. When questioned Mr Morgan then acknowledged it was incumbent on him to instruct at his solicitors to release funds not a third party. Mr Morgan provided no real explanation as to why these monies were being withheld other than he was awaiting the outcome of this application.

89. Such a position in the Tribunal's view makes no sense because this application is not about the payability of the service charges for flat 1. This is not an application under section 27A or section 19 Landlord and Tenant Act 1985. This application is solely about whether it is just and convenient to vary an order appointing a manager. The evidence in the Tribunals view supports the very reason why the variation is needed, because Mr Morgan has not at the date of the final hearing cleared service charge arrears due on flat 1 following the sale of the flat in February 2026, despite having the funds available to do so.

90. When assessing Mr Morgan's evidence and approach the Tribunal cannot have confidence that Mr Morgan will settle arrears willingly. Given his own evidence when pushed in relation to his use of the proceeds of sale for flat 1, the Tribunal has no evidence that it can rely upon confidently that Mr Morgan will clear the service charge arrears voluntarily as claimed.

91. The Tribunal does find from the evidence of Mr Christie and Mr Morgan that there has been a breakdown in their relationship, if a working relationship ever really existed between them both. Mr Christie and Mr Morgan in evidence demonstrated frustrations and a reluctance to try and find a working relationship.

92. Mr Christie did set out the complaints procedure that was available to Mr Morgan and showed an awareness that the role of a Tribunal appointed manager requires the need for independence and the need to focus on the reasons for the appointment.

93. The Tribunal does find that in light of the evidence of the longstanding payments made by Haleburn on behalf of the Respondents, the Tribunal agrees with the submission that if Mr Christie is expressly instructed by the Respondents to send copy demands or accounts to Haleburn as agent on behalf of the Respondents, that he should do so but only in addition to the legal requirement to serve copy demands on the Respondents as freeholder or leaseholders to the relevant properties and not instead of.

94. The Tribunal finds on the evidence that the service charge arrears are preventing the manager from progressing with the works. The purpose of the appointment is to get those works completed. The current arrangements have fallen short and that is due overwhelmingly to the large arrears owed by the Respondents. Therefore in considering whether it is just and convenient to extend the powers of the current

management order, the Tribunal finds on the evidence that to simply preserve the current powers would mean that the Respondents have no incentive to pay and could continue to delay or avoid payments. On the basis of Mr Morgan's evidence, especially in relation to flat 1 and his use of the proceeds of sale, that is a real risk.

95. The terms of the draft order and the extended powers proposed are such that if the Respondents were to clear the arrears as was suggested, those extended powers would not immediately be applicable and would require a further default and period of 28 days for arrears to be outstanding before those powers could be applied should the current arrears be cleared. This in the Tribunal's view will perhaps encourage the Respondent to clear the arrears as suggested they would.

96. In respect of the access issue for cupboards in communal areas, the Tribunal heard evidence from Mr Christie and Mr Morgan. Mr Morgan's evidence in relation to three of the four disputed cupboards was clear and it was conceded that they were situated in common parts of the Property and should be accessible by the manager

97. The Tribunal places weight on the importance attached to landlords complying with fire safety regulations and all regulations relating to health and safety of residents. The provisions sought in the order to extend the powers are not intrusive and allowing access should be easy on the evidence that has been placed before the Tribunal in respect of the cupboards in communal parts.

98. It is therefore not an onerous extension of power when considering the basis for the extended powers and considering Mr Morgan's own evidence, the Tribunal finds it just and convenient to extend the power accordingly to achieve the requirements needed for compliance with fire safety regulations by a landlord.

99. Again, the Tribunal refers to the evidence of Mr Morgan in finding it just and convenient to make this extended order. Mr Morgan suggested that because Mr Christie was forthright in his request for access to these cupboards, Mr Morgan then refused to engage with Mr Christie over this issue further.

100. This is a very good example of how the situation at the Property has developed to require extended powers to be granted to the Applicant. The Tribunal finds that ultimately Mr Morgan can complain about Mr Christie's conduct as manager if he wishes to. Mr Morgan can seek to use the complaints procedure. Mr Morgan could apply to discharge Mr Christie as manager if there is evidence to support such an application but the Respondents cannot hold the Applicant to ransom or refuse to facilitate the necessary access for compliance with legal regulations simply because they do not like the Applicant’s approach and do not wish to engage with them. The Tribunal finds that is not acceptable in these circumstances. Mr Morgan's own evidence was that he has an electrician take care of safety matters but won't or

hasn't provided any subsequent safety certificates to the Applicant. This evidence again demonstrating a disregard for the legal requirements placed upon landlords.

101. The evidence ultimately in relation to the storage cupboard within or around flat 9 was unsatisfactory. The Tribunal ultimately cannot conclude whether the cupboard is or is not within the demise or is within a common part of the Property. In reality that should be a very simple question of fact and should be capable of easy resolution. The terms of the draft order will permit access to common parts storage only thereby protecting storage space that is within any demised premise, including that of flat 9. The Tribunal finding that to be just and convenient based on the evidence before the Tribunal in order to ensure the Applicant has the ability to properly comply with the requirements of a fire safety risk assessment.

102. Lastly in light of the Applicant not proceeding to seek the variation in relation to use of the bins, the Tribunal will remove that extended term and power. On the evidence before the Tribunal it would have likely refused this extended power in any event.

Directions on Terms of the Order

103. The Tribunal therefore will make 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 the matters identified above, extending the period for a further 3 years.

104. The parties may provide observations on the terms of the draft order appointing the Manager by 23 October 2026 but the Tribunal makes clear its intention to broadly adopt the extended powers requested for the reasons set out above in the terms proposed under the current draft.

105. The Tribunal will consider those observations and provide a final version of the Order thereafter. Whilst the Tribunal will carefully considered the submissions made by the parties on the draft terms and conditions, the parties will appreciate that the terms are ultimately entirely a matter for the Tribunal to determine and conclude.

RIGHTS OF APPEAL

106. 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.

107. 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.

108. 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.

109. 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.