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	:	
The Manager	:	Mark Christie of Residential Block Management Group Limited trading as Plymouth Block Management
Tribunal Member(s)	:	Tribunal Judge Skinner Mr P Smith FRICS
Date of Order	:	9 November 2026

MANAGEMENT ORDER

Interpretation

1. In this Order:

"The Property" means the flats and other premises known as Sunhill Apartments, 19 Alta Vista Road, Paignton, Devon TQ4 6DA and registered at HM Land Registry under title number **DN78429** and shall include the building, outhouses, gardens, amenity space, drives, pathways landscaped areas, flower beds, passages, bin-stores, common parts, storage rooms and cupboards, basements, electricity and power rooms; and all other parts of the property.

"The Landlord" shall mean Mr Michael William Morgan and Mrs Barbara Morgan or their successors in title to the reversion immediately expectant upon the Leases.

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

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

"The Manager" means Mr Mark Christie of Residential Block Management Group Limited trading as Plymouth Block Management of the Atlantic Building, Queen Anne's Battery, Plymouth, Devon PL4 0LP

"Order" means this Management Order

"Major Works" means any work to the Property that is subject to the provisions of section 20 of the Landlord and Tenant Act 1985

"The Tribunal" means the First-tier Tribunal (Property Chamber)

ORDER

2. In accordance with section 24(1) of the Landlord and Tenant Act 1987 ("the Act") Mr Mark Christie of Residential Block Management Group Limited trading as Plymouth Block Management of the Atlantic Building, Queen Anne's Battery, Plymouth, Devon PL4 0LP is appointed as Manager of the Property.

3. The Manager's appointment shall start on 1st January 2026 ("the start date") and shall end on 31st October 2029 ("the end date").

4. For the avoidance of doubt this Order supplements but does not displace covenants under the Leases and the Tenants remain bound by them. Where there is a conflict between the provisions of the Order and the Leases, the provisions of the Order take precedence.

5. The purpose of this Management Order is to provide for the management of the Property which includes taking steps to resolve the following problems of inadequate management identified by the tribunal:

    (a) The Manager is the current appointed manager, appointed by the Tribunal under an interim order for a term of three months from 1st January to 31st March 2021, and then by further order from 1st April 2021 to 31st December 2025, as extended shall be extended until this further order of this Tribunal
    (b) Mr Martin Woodhead was originally appointed by the Tribunal to manage the Property on 10th December 2012 for a term of three years, which was later extended until 31st December 2020 (by reason of a variation dated 16th November 2015)
    (c) The Property comprises 12 apartments. Of those 12 apartments, long leases have been granted in respect of Apartments 1, 2, 3, 4, 7, 8, 9, 10, 11 and 12. Mr and Mrs Morgan hold the leasehold interests to apartments 7, 8, 9 and 12 which are each subject to a long lease registered at HM Land Registry. Mr and Mrs Morgan also formerly held the leasehold interest to Apartment 1, such leasehold interest having been assigned on or around 13 February 2026 (albeit the arrears owed by Mr and Mrs Morgan in respect of Apartment 1 were not settled at the point of assignment). Long leases have **not** been granted in respect of Apartments 5 and 6 ("the **Void Units")**,and as such ownership of those two apartments (5 and 6) remains with Mr and Mrs Morgan as the Landlord.
    (d) There is a long history of non-payment on the part of Mr and Mrs Morgan both in relation to the apartments where leases have been granted and also in relation to the Void Units. As at the date of present application, the arrears owed by Mr and Mrs Morgan across all properties under their ownership stood at £25,951.22 (paragraph 8 of the preliminary submissions which accompanied the application) and as at the date of Mr Christie's witness statement, those arrears had increased to £32,563.98 (paragraph 15 of the witness statement). Previous proceedings were also taken by Mr and Mrs Morgan by Mr Woodhead (the previous appointed manager), and judgment was entered against Mr and Mrs Morgan for service charge arrears of £7,000 due on 1st January 2020 and demanded by Mr Woodhead for their seven flats at the Property, interest from 1st January 2020 until 9th March 2020 of £104.33 with interest from 10th March 2020 until the date of the judgment at the daily rate of £1.53 and the Court fee of £410. Mr and Mrs Morgan (via Haleburn Ltd) have made various payments in respect of their seven properties since the judgment, and such sums paid since judgment are to be "set off" against the judgment.
    (e) By way of comparison, the expenditure for the Property as shown in the service charge accounts annexed to Mr Christie's witness statement shows the following expenditure:
        (i) Year ending 31st December 2022 - £17,087.11
        (ii) Year ending 31st December 2023 - £38,334.63 [NB: major works were undertaken during this year]

(iii) Year ending 31st December 2024 - £26,627.03

(f) As such, the arrears owed by Mr and Mrs Morgan across all properties they own exceed the "usual" service charge expenditure across the entire Property.

(g) Whilst payments are being made in respect of the properties owned by Mr and Mrs Morgan, such payments are insufficient to meet their liabilities and their level of debt is simply increasing with each new demand sent.

(h) At the VCMC which took place on 23rd February 2026 before Regional Judge Whitney, Mr Morgan attended and explained he believed all the flats were owned by a company called Haleburn Ltd. Mr Morgan explained that he and his wife were directors of this company together with his daughter. Mr Morgan stated he did not know that the Land Registry continued to show that he and his wife owned the legal interest in the flats. He stated he believed Haleburn Ltd paid what they thought they owed but had not received statements from the Manager so were not aware of the arrears. It was explained to Mr Morgan by Judge Whitney that currently it appeared from the documents the Tribunal had seen that he and his wife were personally liable for the service charges in respect of the flats they retained ownership of. This means they may be personally liable to pay all the monies said to be owing. The Tribunal urged Mr Morgan to take independent legal advice. Such matters are recorded in the consequential directions issued by the Tribunal following the VCMC.

(i) Given the impact of the arrears owed by Mr and Mrs Morgan to the Manager and the obvious effect that the ever-increasing level of arrears has on his ability to provide the management functions a set out by the management order, the Manager seeks the diversion of the rental income Mr and Mrs Morgan receive from those properties to settle the outstanding liabilities and also to pay the ongoing liabilities on the part of Mr and Mrs Morgan.

(j) Absent such intervention from the Tribunal, it is entirely probable that Mr and Mrs Morgan will continue to adopt a cavalier approach to their responsibilities as both landlord and lessees, which is non-conducive to a successful and coherent scheme of management at the Property. The level of misunderstanding on their part regarding ownership of the properties subject to leases is demonstrative of a general lack of understanding on their part as to their responsibilities and obligations.

(k) During the course of this application, there had been a change of ownership in relation to Apartment 1. The leasehold interest to Apartment 1 was transferred by Mr and Mrs Morgan on 13 February 2026. For the avoidance of doubt, assignment of the leasehold interest to Apartment 1 does not abrogate Mr and Mrs Moragn of their responsibility for payment of the arrears outstanding at the point of assignment.

6. To address the steps identified in the previous paragraph the Manager is empowered as follows:

    (a) The Manager may take account of the respective obligations of the Landlord and the Tenants under the Leases by which each of the apartments within the Property are demised. By way of further clarification, in relation to those apartments in respect of which long leases have not been granted, the Landlord remains obliged to comply with his covenants as Landlord in the Leases and to observe and comply (as Landlord) with covenants similar in all material respects to those contained in the Leases on the part of the tenant, and which further obligation will apply to the Void Units and further flats which may be created by subdivision of existing flats, but the Manager may create a scheme of management which will ensure that the Property is managed properly. For the avoidance of doubt, this extends to the payment of charges by Mrs and Mrs Morgan in respect of the Void Units (and includes any subdivision of properties owned by Mr and Mrs Morgan and any successors in title) so that the Manager is entitle to receive all sums payable by way of service charges in respect of the apartments where the Leases are granted **and** in respect of the Void Units, and is entitled to enforce payment of those service charges in the event of any failure on the part of the Tenants and/or the Landlord to pay such service charges. For the avoidance of doubt, this also extends to the payment of the charges owed by Mr and Mrs Morgan in respect of Apartment 1, notwithstanding the assignment of the leasehold interest which took place on 13 February 2026; Mr and Mrs Morgan remain liable for the arrears in respect of Apartment 1 as at the date of assignment.

    (b) In respect of the properties owned by Mr and Mrs Morgan – whether such properties are subject to a long lease or comprise one of more of the Void Units – such rental income received by Mr and Mrs Morgan in respect of those properties is to be diverted to the Manager and the following provisions therefore apply:

        (i) Within seven (7) days of this order, Mr and Mrs Morgan are to provide to the Manager the full contact details for any letting agent appointed to deal with the letting of those properties, including any of the apartments which are presently unlet.

        (ii) Mr and Mrs Morgan are – simultaneously - to confirm to the Tribunal that this has been done.

        (iii) Within seven (7) days of this order, Mr and Mrs Morgan are to provide a copy of this order to their letting agent, and confirm to the Manager and the Tribunal that they have done so.

        (iv) Within seven (7) days of being notified of the details of the letting agent, the Manager will provide bank details for the service charge account for the Property, such details to be used by the letting agent when making payments to the Manager as more particularly set out below.

        (v) The rental income received by the letting agent in respect of the properties, less the fees of the agent for the services provided by the agent relating to the letting, is to be paid to the Manager using the bank details provided (as above) and

such payments to be made as soon as reasonably practicable and in any event no later than 21 days from receipt of the funds by the letting agent.

(vi) The Manager will allocate such payments equally across all properties owned and formally owned by Mr and Mrs Morgan. The payments will be allocated towards the oldest arrears on each of the accounts for the properties. For the avoidance of doubt, such payments are also to be used to settle the outstanding judgment(s) owed by Mr and Mrs Morgan in respect of the previous proceedings brought by the previous manager, including the interest and Court fee incurred in those proceedings.

(vii) The Manager will notify the letting agent when all outstanding liabilities (including, for the avoidance of doubt, any further charges which will fall due in respect of the properties whilst the arrears are being cleared) have been settled, and will so notify the letting agent within 21 days.

(viii) Simultaneous to the notification provided for above, the Manager will also notify Mr and Mrs Morgan and provide up to date statements of account for each property. The Manager will also send a copy of such statements of account to Haleburn.

(ix) In terms of ongoing liabilities once the arrears have been cleared, the Manager will continue to raise demands to Mr and Mrs Morgan in respect of all properties. The Manager will also send a copy of such demands to Haleburn.

(x) In the event such demands remain unpaid (in whole or in part) after 28 days from the date of payment, the Manager will notify the letting agent of the outstanding sums owed, and the letting agent will transfer the rental income in respect of the properties, less the fees of the agent for the services provided by the agent relating to the letting, to the Manager using the bank details provided (as above) and such payments to be made as soon as reasonably practicable and in any event no later than 21 days from receipt of the funds by the letting agent.

(c) The parties and the servants and agents shall give reasonable assistance and co-operation to the Manager in pursuance of his duties and powers under this Order and **shall not interfere** with the exercise of those duties and powers. Neither shall Mr or Mrs Morgan interfere with the diversion of the rental income from the letting agent to the Manager. For the avoidance of doubt, interference in this context is an act or omission undertaken which has the effect of frustrating the operation of this order. For the avoidance of doubt, this might include instructing the letting agent to cease letting any of the properties so that such properties are deliberately "unlet" constitutes interference. For the further avoidance of doubt, this may also amount to unreasonably dis-instructing and/or changing the letting agent appointed.

(d) If Mr and Mrs Morgan, acting reasonably at all times, propose to change letting agent, the provisions set out above will apply to any new agent appointed, including the requirement to (1) notify the Manager and provide full contact information and (2) provide the letting agent

with a copy of this Order.

(e) In the event Mr and Mrs Morgan terminate the services of any letting agent, the Manager is at liberty to apply to the Tribunal to vary the terms of this Order with a view to managing the rental of the properties, including the appointment of a letting agent to do so.

(f) Where any of the properties are subject to a mortgage (including any mortgage against the freehold interest), Mr and Mrs Morgan are to serve a copy of this Order within seven (7) days and confirm to the Tribunal and to the Manager that they have done so.

(g) In respect of all storage cupboards which are not demised under existing occupational leases within the Property, the Landlord is to provide keys to the Manager within seven (7) days of this Order, to be delivered to the Manager at the Manager's office. The Landlord is prohibited from using such cupboards unless obtaining the express consent of the Manager in advance of such use and is prohibited from taking any steps to install new locks or otherwise take steps to secure those cupboards in any way. In the event the Landlord fails to do so, the Manager will be entitled to instruct a locksmith to attend the Property and remove the locks to the cupboards, the costs of which (including any costs for the Manager's time in securing entry to the cupboards) are to be borne by the Landlord split equally across the properties held by Mr and Mrs Morgan (including, for the avoidance of doubt, the Void Units).

7. The Manager shall manage the Property in accordance with:

(a) the terms of this Order and the Directions set out below;

(b) the respective obligations of the Landlord and the Tenants under the Leases whereby the Property is demised by the Landlord (save where modified by this Order);

(c) the duties of a Manager set out in the Service Charge Residential Management Code ("the Code") (3rd Edition) or such other replacement code published by the Royal Institution of Chartered Surveyors ("RICS") and approved by the Secretary of State pursuant to section 87 Leasehold Reform Housing and Urban Development Act 1993 (whether the Manager is a Member of the RICS or not; and

(d) the provisions of sections 18 to 30 of the Landlord and Tenant Act 1985 (as amended).

8. From the date this Order comes into effect, no other party shall be entitled to exercise a management function in respect of the Property where the same is the responsibility of the Manager under this Order.

9. The tribunal requires the Manager to act fairly and impartially in the performance of their functions under this Order and with the skill, care and diligence to be reasonably expected of a Manager experienced in carrying out work of a similar scope and complexity to that required for the performance of the said functions.

10. The Manager or any other interested person may apply to vary or discharge this Order pursuant to the provisions of section 24(9) of the Act.

11. The Tribunal may, upon receipt of information or notification of change of circumstances, issue directions to the parties, or any other interested person, concerning the operation of this Order, both during its term, and after its expiry.

12. Any application to extend or renew this Order **must** be made before the end date,

preferably at least three months before that date, and supported by a brief report of the management of the Property during the period of the appointment. Where an application for an extension or renewal is made prior to the end date, then the Manager's appointment will continue until that application has been finally determined.

13. The Manager is appointed to take all decisions about the management of the Property necessary to achieve the purposes of this Order. If the Manager is unable to decide what course to take, the Manager may apply to the Tribunal for further directions, in accordance with section 24(4), Landlord and Tenant Act 1987. Circumstances in which a request for such directions may be appropriate include, but are not limited to:

    (a) a serious or persistent failure by any party to comply with an obligation imposed by this Order;

    (b) circumstances where there are insufficient sums held by the Manager to discharge their obligations under this Order and/or for the parties to pay the Manager's remuneration; and

    (c) where the Manager is in doubt as to the proper construction and meaning of this Order.

Contracts

14. Rights and liabilities arising under contracts, including any contract of insurance and/or any contract for the provision of any services to the Property, to which the Manager is not a party, but which are relevant to the management of the Property, shall upon the date of appointment become rights and liabilities of the Manager, save that:

    (a) the Landlord shall indemnify the Manager for any liabilities arising before commencement of this Order; and

    (b) the Manager has the right to decide, in their absolute discretion, the contracts in respect of which they will assume such rights and liabilities, with such decision to be communicated in writing to the relevant parties within 56 days from the date this order.

15. The Manager may place, supervise and administer contracts and check demands for payment of goods, services and equipment supplied for the benefit of the Property. However, the Manager shall have no obligation under this Order to enter into any financial expenditure unless he is fully in funds to discharge the obligations.

Licences to assign, approvals and pre-contract enquiries

16. The Manager shall be responsible for carrying out those functions in the residential Leases concerning approvals and permissions, including those for sublettings, assignments, alterations and improvements, that the Leases provide should be carried out by the Landlord.

17. The Manager shall be responsible for responding to pre-contract enquiries regarding the sale of a residential flat at the Property and is entitled to remuneration as detailed below in this Order.

Legal Proceedings

18. The Manager may bring or defend any court or tribunal proceedings relating to management of the Property (whether contractual or tortious) and, subject to the approval of the Tribunal, may continue to bring or defend proceedings relating to the appointment , after the end of their appointment.
19. Such entitlement includes bringing proceedings in respect of arrears of service charge attributable to any of the Flats in the Property, including, where appropriate, proceedings before this tribunal under section 27A of the Landlord and Tenant Act 1985 and in respect of administration charges under schedule 11 of the Commonhold and Leasehold Reform Act 2002 or under section 168(4) of that Act or before the courts and shall further include any appeal against any decision made in any such proceedings.

20. The Manager may instruct solicitors, counsel, and other professionals in seeking to bring or defend legal proceedings and is entitled to be reimbursed from the

service charge account in respect of costs, disbursements or VAT reasonably incurred in doing so during, or after, this appointment. If costs paid from the service charge are subsequently recovered from another party, those costs must be refunded to the service charge account.

21. For the avoidance of doubt, the reference to "service charges" in the preceding paragraphs includes the charges payable by the Landlord (and any successors in title) in respect of the Void Units.

Remuneration

22. The Tenants and the Landlord are responsible for payment of the Manager's fees, which are payable under the provisions of this Order but which may be collected under the service charge mechanisms of their Leases. For the avoidance of doubt, the Landlord is responsible for payment of the Manager's fees in respect of the Void Units, such sums to be recovered by the Manager as part of the charges payable to the Manager by the Landlord in respect of the Void Units.

23. The sums payable are:

    (a) an annual fee as set out below for performing the duties set out in paragraph 3.4 of the RICS Code (so far as applicable) as follows
        (i) Year ending 31st December 2026 - £5403.84 (equivalent to £450.32 per apartment)
        (ii) Year ending 31st December 2027 - £5565.96 (equivalent to £463.83 per apartment)
        (iii) Year ending 31st December 2028 - £5732.93 (equivalent to £477.74 per apartment);
    (b) any additional fees contained in a schedule to this Order for the duties set out in paragraph 3.5 of the RICS Code (so far as applicable); and
    (c) VAT on the above fees.

Ground Rent and Service charge

24. The Manager shall collect the ground rents payable under the residential Leases, and the Manager shall be entitled to offset such ground rents received from the sums owed by the Landlord to the Manager in respect of the properties owned by Mr and Mrs Morgan,

25. The Manager shall collect all service charges and insurance premium contributions payable under the Leases and payable in respect of the Void Units, in accordance with the terms and mechanisms in the Leases.

26. Whether or not the terms of any Lease so provides, the Manager shall have the authority to:

    (a) demand payments in advance and balancing payments at the end of the accounting year;

(b) establish a sinking fund to meet the Landlord's obligations under the Leases;

(c) demand interim (ad hoc) payments in the event the interim payments have been or are likely to be exhausted before the next service charge demand is due to be made;

(d) allocate credits of service charge due to Tenants at the end of the accounting year to the sinking fund; and

(e) alter the accounting year and to collect arrears of service charge and insurance that have accrued before their appointment.

27. The Manager may set, demand and collect a reasonable service charge to be paid by the Landlord (as if he were a lessee), in respect of any unused premises in part of the Property retained by the Landlord, or let on terms which do not require the payment of a service charge.

28. The Manager is entitled to recover through the service charge the reasonable cost and fees of any surveyors, architects, solicitors, counsel, and other professional persons or firms, incurred by them whilst carrying out their functions under the Order.

Administration Charges

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

30. For the avoidance of doubt, this includes the recovery of such fees from the Landlord in respect of the Void Units and any further units created by the subdivision of the properties owned by Mr and Mrs Morgan.

Disputes

31. In the event of a dispute regarding the payability of any sum payable under this Order by the lessees, additional to those under the Leases (including as to the remuneration payable to the Manager and litigation costs incurred by the Manager), a Tenant, or the Manager, may apply to the tribunal seeking a determination under section 27A of the Landlord and Tenant Act 1985 as to whether the sum in dispute is payable and, if so, in what amount.

32. In the event of a dispute regarding the payability of any sum payable under this Order by the landlord, other than a payment under a Lease, the Manager or the Landlord may

apply to the tribunal seeking a determination as to whether the sum in dispute is payable and, if so, in what amount.

33. In the event of dispute regarding the conduct of the management of the property by the Manager, any person interested may apply to the Tribunal to vary or discharge the order in accordance with section 24(9) of the Landlord and Tenant Act 1987.

34. In the event of a dispute regarding the reimbursement of unexpended monies at the end of the Manager's appointment, the Manager, a Tenant, or the Landlord may apply to the Tribunal for a determination as to what monies, if any, are payable, to whom, and in what amount.

DIRECTIONS TO LANDLORD

35. The Landlord must comply with the terms of this Order.

36. On any disposition including, for the avoidance of doubt, any charge of the Landlord's estate in the Property, the Landlord will procure from the person to whom the Property is to be conveyed, a direct covenant with the Manager, that the said person will (a) comply with the terms of this Order; and (b) on any future disposition (other than a charge) procure a direct covenant in the same terms from the person to whom the Property is to be conveyed.

37. The Landlord shall give all reasonable assistance and co-operation to the Manager in pursuance of their functions, rights, duties and powers under this Order, and shall not interfere or attempt to interfere with the exercise of any of the Manager's said rights, duties or powers except by due process of law.

38. The Landlord is to allow the Manager and their employees and agents access to all parts of the Property and must provide keys, passwords, and any other documents or information necessary for the practical management of the Property in order that the Manager might conveniently perform their functions and duties, and exercise their powers under this Order. This extends, as per paragraph 6(g), to the cupboards within the Property.

39. Within 14 days from the date of this Order the Landlord must provide all necessary information to the Manager to provide for an orderly transfer of responsibilities, to include the transfer of:

    (a) all accounts, books and records relating to the Property, including a complete record of all unpaid service charges; and

    (b) all funds relating to the Property including uncommitted service charges and any monies standing to the credit of a reserve or sinking fund.

DIRECTIONS TO MANAGER

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

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

41. To protect the direction in paragraph 36 for procurement by the Landlord, of a direct covenant with the Manager, **the Manager must apply** for the entry of the following restriction in the register of the Landlord's estate under title no(s) DN 78429

"No disposition of the registered estate (other than a charge) by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be completed by registration without a certificate signed by the applicant for registration [or their conveyancer] that the provisions of paragraph 36 of an Order of the Tribunal dated [.....] have been
complied with"*]*

Registration

The Manager must make an application to HM Land Registry for entry of the restriction referred to in paragraph 41, within 14 days of the date of this Order.

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

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

Conflicts of Interest

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

Complaints

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

Insurance

45. The Manager must maintain appropriate building insurance for the Property and ensure that the Manager's interest is noted on the insurance policy.

46. From the date of appointment, and throughout the appointment, the Manager must ensure that he/she has appropriate professional indemnity insurance cover in the sum of at least £2 million and shall provide copies of the certificate of liability insurance to the Tribunal, and, upon request, to any Tenant or the Landlord. The Certificate should specifically state that it applies to the duties of a Tribunal appointed Manager.

Accounts

47. The Manager must:

(a) prepare and submit to the Landlord and the Tenants an annual statement of account detailing all monies receivable, received and expended. The accounts are to be certified by the external auditor, if required under the Leases;

(b) maintain efficient records and books of account and to produce for these for inspection, to include receipts or other evidence of expenditure, upon request by the Landlord or a Tenant under section 22 Landlord and Tenant Act 1985;

(c) maintain on trust in an interest-bearing account at such bank or building society, as the Manager shall from time to time decide, into which ground rent, service charge contributions, Insurance Rent, and all other monies arising under the Leases shall be paid; and

(d) hold all monies collected in accordance with the provisions of the Code.

Repairs and maintenance

48. The Manager must:

(a) by 28 days from the date of this Order draw up a planned maintenance programme for the period of the appointment, allowing for the periodic re-decoration and repair of the exterior and interior common parts of the Property, as well as any roads, accessways, mechanical, electrical and other installations serving the Property, and shall send a copy to every Tenant and to the Landlord;

(b) subject to receiving sufficient prior funds:

(i) carry out all required repair and maintenance required at the Property, in accordance with the Landlord's covenants in the Leases, including instructing contractors to attend and rectify problems, and is entitled to recover the cost of doing so as service charge payable under the Leases or in accordance with the Order.

(ii) arrange and supervise any required major works to the Property, including preparing a specification of works and obtaining competitive tenders.

(c) liaise with all relevant statutory bodies in the carrying out of their management functions under the Order; and

(d) ensure that the Landlord, and the Tenants, are consulted on any planned and major works to the Property and to give proper regard to their views.

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

Reporting

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

End of Appointment

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

(a) apply to the tribunal for directions as to the disposal of any unexpended monies;

(b) include with that application a brief written report on the progress and outcome of the management of the Property up to that date (a "Final Report"); and

(c) seek a direction from the tribunal as to the mechanism for determining any unresolved disputes arising from the Manager's term of appointment (whether through court or tribunal proceedings or otherwise).

52. Unless the tribunal directs otherwise the Manager must within two months of the end date:

(a) prepare final closing accounts and send copies of the accounts and the Final Report to the Landlord and Tenants, who may raise queries on them within 14 days; and

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

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

Schedule of Additional Fees

1. The Manager and Residential Management Group Limited trading as Plymouth Block Management will charge the Tenants the following additional fees:
    a. 10% of the total cost any Major Works
    b. £480 for any forms LPE1 including any subsequent enquires
    c. 10% of utility charges;
    d. all additional fees that are set out in the Order;
    e. such other fees that are reasonably necessary for the Property's effective management and are permitted by a specific direction or order made by the Tribunal.
2. For the avoidance of doubt, Plymouth may charge commission on insurance policies.
3. For the avoidance of doubt, any fees referred to in the Order and in this Schedule are exclusive of VAT. VAT will be charged were appropriate.