

30th September 2019 Canary Riverside Estate

Reference LON/00BG/LVM/2016/0020 & LON/00BG/LVM/2016/0023 -

Managers Appointment 1st October 2016 - 30th September 2019

Final Report to FTT January 2020

Introduction

Pursuant to the Order of the First Tier Tribunal of 16th September 2019, this report is the final report of the management period by Alan Coates as appointed manager. The new manager, Mr Sol Unsdorfer, of Parkgate Aspen, commenced his period of appointment from the 1st October 2019.

As background as a director of HML PM Ltd (then HML Andertons Ltd) the residents sought me out to be nominated within a section 24 application to be made. This was to remove from CREM/MEL the management of the estate on a fault basis to take control of the management of Canary Riverside Estate. This fault-based process determined in May 2016 that it was just and convenient that a 3-year management order from 1st October 2016 was made to remove the management control from the freeholder and associated companies, including Marathon Estates.

The relationship with residents was built within the process to form a management plan which was based on communication with the Stakeholders [leaseholders] and in accordance with the RICs code. At the outset from Augusts 2016 I received helpful data and advice from the leaseholders in the absence of any data from MEL or CREM. Therefore, it would not have been possible to commence the financial contribution collection by September or commence the management order by the 1st October without the resident's supplied information and a few publicly available documents.

The data from MEL was provided later into October 2016 over several weeks in both electronic form via a Drop Box and in several boxes filled with selections of paper documents.

During the early periods I entered considerable debate and sought opinion of leaseholders and CREM, through Louise Berwin and Duncan Rendall, building the trust with as many as I could and seeking the advice and comment. The relationship with the resident's association grew as they represented about a third of the flats who members were very cooperative in assisting the understanding of this very large and complex site. At the same time my solicitor received many letters from the landlord's solicitor, and these were replied to as fast as practical. However, it is of great regret that the relationship with the landlord, from the outset at the section 24 hearings, and onward, was confrontational and not progressive.

1. Litigation

- 1.1 The ongoing litigation has now been handed over the Sol Unsdorfer who as required has been appropriately inserted as applicant or respondent. All information has been exchanged with Soil Unsdorfer's solicitors Wallace & Co and where needed ongoing support has been provided.
- 1.2 I have been notified that CREM are now alleging Conspiracy and Contempt of Court against me. No other new litigation has been notified to me since the 1st October.
- 1.3 There remains legal action ongoing in relation to enforcing disclosure of documentation from the recital from the July 18 hearing.
- 1.4 I am advised that CREM has recommenced the legal action alleging lack of impartiality, the original action was stayed within the County Court. This new action progressed by CREM is that my written defence to the original action constitutes a contempt of court due to my partiality to the leaseholders and that is now driving CREM to seek my committal to prison and financial retribution.

- 1.5. The matter of HML's injunction surrounding matters of "Smith" disclosure, which were documents released from my stolen lap tap has now been withdrawn but all these documents can now be used by CREM in future court cases against me. The smith documents are said by CREM to be provided to all leaseholders, both commercial and residential but for those that remain this unsure the "Smith" documents are those that were discovered when the theft of my lap top from a break in at my house and were sent all documents to the FTT and CREM. Smith says in an email of the 30th April 2019 to the FTT he leads a number of HML group staff that were being subjected to severe malpractices and asked to carry out tasks which are subject as breach of employment law, abuses of court process and acts which in the circumstances would be subject to criminal proceedings. HML conducted a review and found no evidence that "Smith" existed, or evidence to support any of the allegations made and no actions have been brought by "Smith" or any other member of staff or ex member of staff in any way.
- 1.6 The matter of the statutory demand served on me at my home for alleged monies owed to CREM from the service charge fund will now be resolved in January 2020.
- 1.7 I have been served notice of the intent to issue proceedings against me and others for conspiracy. This is an action to recover losses and costs incurred by CREM due to an alleged conspiracy which damaged CREM's interests because it is stated that I did not act impartially as manager appointed by the FTT. This was served at my home on the 20th December 2018.
- 1.8 I remain an interested party in the matter before the FTT dealing with the section 27a application by the leaseholders on the question of the insurance premium recovery. This is despite with the management order the insurance was operated and managed by CREM and costs simply accrued into the service charge accounts.

2. Documentation & information

- 2.1 The FTT set the detail and timing of the management information retained under the order. The electronic data, documents and finances have been dealt with professionally and pleasantly between me and Sol Unsdorfer and all matters resolved on demand. Ongoing queries and questions have been dealt with on demand.
- 2.2 All monies received post the 1st October have been submitted to Sol Unsdorfer as agreed and the account was formally closed on the 14th November 2019
- 2.3 There remains a hole in the information and accounting data as MEL data has not been received and this continues to make it impossible to be certain of the opening position in 2016 and therefore will continue to impact on the compilation of the accounts.
- 2.4 All historic paperwork including the boxes delivered by MEL to HML offices during 2016 have now been collected by Sol Unsdorfer.

3 Financial Position

- 3.1 The residential service charge for the period 1st October 2019 for the second half year and the quarter for the commercial units was charge along with the rebates for 2018 and 2016 together with an insurance float. These billings have been accounted to Sol Unsdorfer
- 3.2. The final accounting details have been completed and provided with vouchers.
- 3.3. The balance of the account, less disbursements as described within the final statement, has been provided to Sol Unsdorfer.
- 3.4 The half year accounts have been produced and issued to Sol Unsdorfer, along with working papers, to enable him to simply add these to his half year to complete a full set of accounts, and a copy of the accounts is attached.

- 3.5. Electricity billing was charged as an estimate to 30th September 2019 and the process to recover of the metered charges passed to Sol Unsdorfer. We have provided the final meter readings to enable the billing.

4. Operational and Management tasks

- 4.1 There was a complete and smooth transition, we successfully provided Sol Unsdorfer with all the contractual detail and helped him effectively and efficiently dealt with each supplier. Sol Unsdorfer managed that transfer without a hitch such that there was no extra liability or financial risk to any party.
- 4.2. The IT domain and platforms were transferred with all the records.
- 4.3 The telephone lines have been transferred without excess liability.
- 4.4. TUPE was successfully completed without any issues.

5. Electrical Metering

- 5.1 We assisted with the handover of a detailed introduction to Energy Control along with providing all the metering details available. We have been advised by Energy controls that it they will be withdrawing from Canary Riverside and persuaded them to remain for the transition until 31st March 2020. There will be difficulties with the closed nature of the data and the processes of data collection, and we have ensured Sol Unsdorfer is aware of the difficulties that will become evident rather earlier than we had expected.

6 Chillers

- 6.1 The section 27ZA application is progressing, and we have provided all parties with the information, and handed over this to Sol Unsdorfer to complete.

7. Summary

- 7.1 The management task as defined under the 2016 management order has now been completely transitioned to Sol Unsdorfer.
- 7.2. There remain the ongoing legal actions to complete which are programmed to take time through into 2020.

Alan Coates

Director

HML PM Ltd