

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : MAN/OOBN/LDC/2021/0027

Property : Great Northern Tower, 1 Watson Street

Manchester M3 4EE

Applicant : Great Northern Tower Management

Company Limited

Representative : JB Leitch Limited

Respondents : Leaseholders of apartments at the Property

Type of Application : Landlord & Tenant Act 1985 – Section 20ZA

Tribunal Members : Laurence Bennett (Tribunal Judge)

Date of Decision : 9 March 2022

Date of Determination : 21 March 2022

DECISION

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Application

- 1. Great Northern Tower Management Company Limited applies to the Tribunal under Section 20ZA of Landlord and Tenant Act 1985 (the Act) for dispensation from the consultation requirements of Section 20 of the Act and the Service Charges (Consultation Requirements)(England) Regulations 2003 (SI 2003/1987) in relation to fire safety work at Great Northern Tower, 1 Watson Street, Manchester M3 4EE (the Property).
- 2. The Respondents are Leaseholders of apartments at the Property.

Grounds and Submissions

- 3. The application is dated 3 June 2021.
- 4. The Applicant is the Management Company a party to all residential leases at the Property.
- 5. On 8 December 2021 Deputy Regional Judge Bennett made directions requiring service of the documents by the Applicant on each Respondent. The directions provided that in the absence of a request for a hearing the application would be determined upon the parties' written submissions.
- 6. The Property is a 72 metre high rise building comprising 258 residential apartments and one commercial unit. The Applicant explains that the residential units are located between ground and 13 floors.
- 7. The Applicant's statement of case sets out the background to the application having become aware that work is required due to issues relating to compartmentation and replacement of internal fire doors. Reports set out recommendations to remedy breaches which caused significant risk to life and likelihood of fire spread.
- 8. Greater Manchester Fire & Rescue Service made recommendations and 3 contractors have quoted for the combination of work, elements of which have been completed.
- 9. The Applicant states that Leaseholders have been updated and has provided copy correspondence but that the issues are urgent and consultation would have incurred an unacceptable delay.
- 10. In response to directions the Applicant has provided a statement of case, Title Register, copy correspondence to Leaseholders, copy sample Residential Lease, fire assessment reports, GMFRS letter and contractors' quotations.
- 11. The Tribunal did not receive submissions from a Respondent Leaseholder. Neither the Applicant nor a Respondent requested a hearing.
- 12. The Tribunal convened without the parties to make its determination on 9 March 2022.

Law

13. Section 18 of the Act defines "service charge" and "relevant costs".

- 14. Section 19 of the Act limits the amount payable by the lessees to the extent that the charges are reasonably incurred.
- 15. Section 20 of the Act states:-

"Limitation of service charges: consultation requirements

Where this Section applies to any qualifying works..... the relevant contributions of tenants are limited...... Unless the consultation requirements have either:-

- a. complied with in relation to the works or
- b. dispensed with in relation to the works by a tribunal.

This Section applies to qualifying works, if relevant costs incurred on carrying out the works exceed an appropriate amount".

- 16. "The appropriate amount" is defined by regulation 6 of The Service Charges (Consultation Requirements) (England) Regulations 2003 (the Regulations) as "...... an amount which results in the relevant contribution of any tenant being more than £250.00."
- 17. Section 20ZA(1) of the Act states:-

"Where an application is made to a Tribunal for a determination to dispense with all or any of the consultation requirements in relation to any qualifying works the tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements."

Tribunal's Conclusions with Reasons

18. We considered the written evidence accompanying the application.

Our conclusions are:-

- 19. It is not necessary for us to consider at this stage the extent of the service charges that would result from the works payable under the terms of the Respondent's leases. If and when such is demanded and if disputed, it may properly be the subject of a future application to the Tribunal.
- 20. We accept from the details provided that entry into a contract for the work is urgent. Further, the defects to be remedied have an obvious and significant potential to impact on the health and safety of occupiers and visitors to the apartments at the Property.
- 21. Although formal consultation has not taken place, we note and accept that Leaseholders are aware of the underlying issues and this application. Balancing the need for urgent action against dispensing with statutory requirements devised to protect service charge paying Leaseholders, we conclude the urgency outweighs any identified prejudice. Dispensation from consultation requirements does not imply that the resulting service charge is reasonable.
- 22. We conclude it reasonable in accordance with Section 20ZA(1) of the Act to dispense with the consultation requirements, specified in Section 20 and contained in Service Charges (Consultation Requirements)(England) Regulations 2003 (SI 2003/1987).
- 23. Nothing in this determination or order shall preclude consideration of whether the Applicant may recover by way of service charge from the Respondents any or all of

the cost of the work undertaken or the costs of this application should a reference be received under Section 27A of the Landlord and Tenant Act 1985.

Order

24. The Applicant is dispensed from complying with the consultation requirements in respect of the work specified in the application.

Laurence J Bennett Tribunal Judge 9 March 2022