

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	MAN/OODA/LDC/2021/0069
Property	:	Whitehall Waterfront, 2 Riverside Way, Leeds, LS1 4EH
Applicant	:	Adriatic Land (GR3) Limited
Representative	:	JB Leitch Limited
Respondents	:	Various Residential Long Leaseholders (see Annex A)
Type of Application	:	Section 27A Landlord and Tenant Act 1985 – Section 20ZA
Tribunal Members	:	Tribunal Judge J.E. Oliver Tribunal Member S.A. Kendall
Date of Determination	:	16th June 2022
Date of Decision	:	4 th July 2022
		DECISION

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Decision

1. The application to dispense with the consultation requirements imposed by Section 20 of the Landlord and Tenant Act 1985 ("the Act") regarding the works specified by the Applicant to ensure the safety of the residents at Whitehall Waterfront, 2 Riverside Way, Leeds is granted.

<u>Reasons</u>

Background

- 2. This is an application made by Adriatic Land (GR3) Limited ("the Applicant") for the dispensation of the consultation requirements imposed by Section 20 of the Landlord & Tenant Act 1985 ("the Act") regarding works required to remedy the existing external wall system at Whitehall Waterfront. 2 Riverside Way, Leeds ("the Property").
- 3. The Applicant has stated the external wall system comprises combustible materials and poses a fire risk.
- 4. The Respondents to the application are the various long leaseholders of the residential apartments forming part of the Property ("the Respondents").
- 5. The application is dated 20th October 2021 and in respect of which directions were issued on 21st February 2022 providing for the filing of any objection by the Respondents and for the application to be determined without a hearing.
- 6. There have been no objections received in respect of the application.

<u>The Law</u>

- 7. Section 20 of the Act provides:
 - (1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either-
 - (a) complied with in relation to the works or agreement, or
 - (b) dispensed with in relation to the works or agreement by (or on appeal from) a tribunal
 - (2) In this section "relevant contribution", in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement
 - (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.

- 8. In the event the requirements of section 20 have not been complied with, or there is insufficient time for the consultation process to be implemented then an application can be made to the First-tier Tribunal pursuant to section 20ZA of the Act.
- 9. Section 20ZA of the Act provides:
 - (1) Where an application is made to a tribunal for a determination to dispense with all or any consultation requirements in relation to any qualifying works, or qualifying long term agreement, the tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements

Submissions

- 1. The Applicant is the landlord of the Property, a L-shaped building ranging from 10 to 16 storeys. The ground floor contains commercial units whilst the upper floors are principally residential units.
- 2. The Applicant has been made aware that remedial works are required to the Property regarding the construction of the external wall system that is constructed of combustible materials and poses a fire risk.
- 3. The Applicant has appointed specialist firms to report further upon the work required to remedy the defects and they have recommended works to include the removal of the balconies and for them to be refurbished before reinstallation, remove the existing cladding and then apply render, remove terracotta tiles and reinstate after remedial work and remove and replace both silver and dark grey aluminium panels. The cost of the work will require compliance with the consultation requirements of section 20 of the Act.
- 4. The Applicant has registered the Property with the Government Building Safety Fund due to the nature of the remedial work and has claimed for the full cost of the work, but this may not be granted. The requirements of the fund are such that once funding is granted, it is expected any work will be carried out quickly.
- 5. The Applicant has chosen to proceed with the work under a Design and Build procurement route which is where the appointed contractor both designs and constructs the work.
- 6. The Applicant has instructed Savills to carry out the remedial work via a Design and Build contract and they have estimated the cost to be \pounds 7,412,950.82, excluding VAT.
- 7. The Applicant seeks dispensation from all consultation requirements since it is said it would not be practicable to comply with them given the method of funding, the procurement method for dealing with the works and the urgency of it.
- 8. The Applicant has commenced the consultation process by sending a Stage 1 Notice of Intention, dated 15th October 2020, to the Respondents and have also provided regular updates.

9. The Applicant submits the Respondents will not suffer any financial prejudice by the granting of dispensation. If dispensation is not granted and consultation is req then any government funding could be lost resulting in higher costs for the Respondents.

Determination

- 10. The Tribunal is being asked to exercise its discretion under section 20ZA of the Act. Section 20ZA (1) provides the Tribunal may do so where "*if satisfied that it is reasonable to dispense with the requirements*".
- 11. The Tribunal, having considered the submissions made by the Applicant, is satisfied the works are necessary and are urgent. It accepts that due to the steps taken to carry out the work, it is not practicable to carry out the consultation requirements contained within section 20 of the Act and dispensation is therefore granted under section 20ZA.
- 12. The granting of dispensation does not affect the Respondents' rights to the challenge the reasonableness or the payability of the service charges under a separate application pursuant to section 27A of the Act.

J.E. Oliver Tribunal Judge 4th July 2022 Annex A

Ms M Teale Dr G Rodosthenous Mr & Mrs Shukla Dr O Kubassova **KCC** Agaisitions Ltd Mr Bloore & Miss Duncan Mr R Welford Mr D Ponnuraj Ms M Manteiga Miss K Hunter G W D Property Ltd Mrs V Sharma Mr Thomas & Ms Thomas Dr M Vidana Mr Fripp & Ms Norddahl-Payne Mr N Fox & Mr P Fox Mr S Mellor Mr Myers & Ms Myers Dr S Iver Mr B Hudson Ms C Lacy Mr C Shield C Brown & CS Rothwell Mr H Bravshaw Mr Holmes & Ms Holmes Market House International Group Ltd Ms M Campbell Mr A Zelikson & Mrs D Zelikson Mr D Johnstone Ms S Hudson Ms G Lambert R Malik, D Malik & R Malik Dr L Willis I C Wilson & A J Wilson Mr R Cameron Mr P Holmes Ms S Calvert Mr Alqattan & Ms Alharaz Assured Money (UK) Ltd Mr P Akhtar Mr T Arnott Ms C Wilson Mr R Iavagnilio Ms S Goyal Ms Hadley & Mr Jago Mr G Boland Dr B Alsaad Mr T Featherstone Mr C Breslin Dr T Yeoh Ms Morley & Mr Morley

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Mr Mills & Mr Wetherill-Trustees of Lauren Mills Life Interest Trust H L Peace, P G Bates, & Buckle Barton Pensioneer Trustees Ltd