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FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	LON/00AG/LDC/2014/0115
Property	:	5-10 GONDAR MANSIONS, MILL LANE, LONDON NW6 1NU
Applicant	:	PLEDREAM PROPERTIES LTD
Representative	:	CRABTREE PROPERTY MANAGEMENT LTD
Respondent	:	VARIOUS LEASEHOLDERS
Representative	:	N/A
Type of Application	:	Dispensation from consultation requirements
Tribunal Members	:	Ms L Smith (Tribunal Judge) Mrs J Davies, FRICS
Venue of Deliberations	:	10 Alfred Place, London WC1E 7LR Decision on papers
Date of Decision	:	1 October 2014
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DECISION

Decisions of the tribunal

(1) The Tribunal pursuant to section 20ZA of the Landlord and Tenant Act 1985 grants dispensation from the consultation requirements in respect of the works the subject of the application.

Procedural

- 1. The applicant landlord applies for a dispensation from the consultation requirements in section 20 of the Landlord and Tenant Act 1985 and the regulations thereunder in respect of works proposed to repair a chimney and deal with water ingress damage ("the Works"). The Works are to be carried out to a property known as 5-10 Gondar Mansions, Mill Lane, London NW6 1NU ("the Property").
- 2. The Tribunal gave directions on 15 September 2014, which provided for the Respondent tenants to write to the Tribunal by 22 September, stating whether or not they agreed to dispensation being given and whether they were content for the Tribunal to determine the matter on By letter dated 18 September 2014, the Applicant's the papers. managing agent confirmed that it had sent a copy of the Directions and covering letter from the Tribunal with a copy of the application and an explanatory letter to each of the lessees of the Property by first class post and a copy of the same was delivered by hand to each of the flats in the Property. A copy of the same was also sent by e mail where the Applicant's agent had an e mail address and a copy was also placed in the hall of the Property. None of the Respondents replied or otherwise indicated any opposition to the application or to the application being determined on the papers.
- 3. The Tribunal also gave directions for the Applicant to compile a bundle for the Tribunal's use at any hearing and for that to be served on any Respondent who had indicated that they opposed the application by 24 September 2014. The Tribunal has before it a bundle of documents containing:-
 - (1) The Applicant's statement of case attaching office copy entries of the Applicant's title;
 - (2) Witness statements of Peter Bernard Scott and Louise Elizabeth Wilson
 - (3) The application
 - (4) Copies of section 20 notice of intention to carry out the Works and specification of the Works with 2 tenders received from Safe As Building Company Ltd and SJS Maintenance Ltd.

- (5) A copy of the lease relating to Flat 7 of the Property.
- 4. Since none of the Respondents had objected to the application and had in any event been served with the application, there was no requirement on the Applicant to serve them with any documents under the terms of the directions.

Determination

- The application provided that the Works were urgent because there is 5. water ingress to Flat 7 of the Property which water ingress is causing loss of amenity to the owner/occupier and is causing increasing decorative damage to the flat internally. The Applicant is also concerned about damage to the roof structure if the water ingress continues. The Applicant has begun the section 20 consultation process. Notice of intention to carry out the Works was served on 15 August 2014 expiring on 24 September 2014. Two tenders have been received and one remains outstanding. None of the Respondents have made observations or nominated contractors. The Applicant is concerned that if the consultation process is allowed to run its course, it will not be possible to carry out the Works before winter. Two quotations have been provided to carry out the Works (for £4505 + VAT and $\pounds 5195 + VAT$).
- 6. We remind ourselves that the sole issue for our determination is whether the landlord should be required to carry a full section 20 consultation in respect of the works. In our judgment the urgency of the problem is such that dispensation should be granted.
- 7. This does not leave the tenants without a remedy. If the cost of the works is excessive or if the quality of the workmanship poor, then it is open to the landlord or the tenants to apply to the Tribunal for a determination of those issues. That, however, would be the subject matter of a separate application.

Name: Ms L Smith Date: 1 October 2014

Appendix of relevant legislation

Landlord and Tenant Act 1985 (as amended)

Section 20

- (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) the appropriate 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.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long term agreement—
 - (a) if relevant costs incurred under the agreement exceed an appropriate amount, or
 - (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount—
 - (a) an amount prescribed by, or determined in accordance with, the regulations, and
 - (b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in

accordance with, the regulations is limited to the amount so prescribed or determined.]

Section 20ZA

(1) Where an application is made to a leasehold valuation tribunal for a determination to dispense with all or any of the 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.

(2) In section 20 and this section—

"qualifying works" means works on a building or any other premises, and

"qualifying long term agreement" means (subject to subsection (3)) an agreement entered into, by or on behalf of the landlord or a superior landlord, for a term of more than twelve months.

(3) The Secretary of State may by regulations provide that an agreement is not a qualifying long term agreement—

(a) if it is an agreement of a description prescribed by the regulations, or

(b) in any circumstances so prescribed.

(4) In section 20 and this section "the consultation requirements" means requirements prescribed by regulations made by the Secretary of State.

(5) Regulations under subsection (4) may in particular include provision requiring the landlord—

(a) to provide details of proposed works or agreements to tenants or the recognised tenants' association representing them,

(b) to obtain estimates for proposed works or agreements,

(c) to invite tenants or the recognised tenants' association to propose the names of persons from whom the landlord should try to obtain other estimates,

(d) to have regard to observations made by tenants or the recognised tenants' association in relation to proposed works or agreements and estimates, and

(e) to give reasons in prescribed circumstances for carrying out works or entering into agreements.

(6) Regulations under section 20 or this section—

(a) may make provision generally or only in relation to specific cases, and

(b) may make different provision for different purposes.
(7) Regulations under section 20 or this section shall be made by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.