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**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case reference : **LON/00BK/LDC/2014/0075**

Property : **The Piper Building, Peterborough Road, London SW6 3EF**

Applicant : **Nelsonville Limited/The Piper Building Limited/Piper Management Limited**

Representative : **D & G Block Management Limited (managing agents)**

Respondent : **Various Leaseholders at The Piper Building as listed in the Application**

Representative : **None known**

Type of application : **To dispense with the requirement to consult lessees about major works (s20ZA Landlord and Tenant Act 1985)**

Tribunal members : **Tribunal Judge Dutton
Mr C P Gowman MCIEH MCMi BSc**

Decision venue and date : **10 Alfred Place London WC1E 7LR
on 30th July 2014**

Date of Decision : **30th July 2014**

DECISION

DECISION

Having considered the papers we are satisfied that it is reasonable to grant dispensation from the consultation requirements set out at section 20 of the Landlord and Tenant Act 1985 (“the Act”) and the Service Charge (Consultation requirements)(England) Regulations 2003. This dispensation does not preclude the Respondents, or any one of them, challenging the reasonableness of the works as provided for at sections 19 and 27A of the Act.

BACKGROUND

1. By an application dated 3rd June 2014 Piper Management Limited, through its agent D & G Block Management (D&G) sought dispensation from the consultation requirements under s20 of the Act, pursuant to s20ZA. It was not wholly clear to us who should in fact be the Applicant in this case. The lease included with the application shows Piper Building Limited as the Lessor. Nelsonville Limited is, we understand, the freeholder and Piper Management Limited appears to be a company set up by the Freeholder to assist in the management of the Building and possibly the Estate.
2. The Application gives the following explanation as to why dispensation from the consultation process is sought: *“the building has issues with high alumina cement which requires leaks to be prevented urgently”* The works to be undertaken are recorded as *“Carry out works to the 1, 2, 3, and 4th floor of the South Tower roof links including installation of scaffolding for access, supply and apply a coat of fibretex liquid plastic to the flat roof and up stands including surrounding ledges, check lead flashings have a good seal to the brick line and remastic around windows on the south west elevation of the four floors”*
3. In a bundle provided for the paper determination of this application there was a copy of the directions issued on 12th June 2014, a sample lease was within the Tribunal papers, two quotes including the selected quote from Amber Office Interiors Limited dated 27th January 2014 in the sum of £5,750 plus VAT, a copy of the initial notice under section 20 and other items of correspondence, in particular a letter to the Tribunal dated 7th July 2014 setting out the background.
4. With the directions issued, a form of response was sent out to be completed by each leaseholder. At the time of this determination there appear to be two positive responses from Mr Kelly (flat 72) and Mr Smit (flat 71).

THE LAW

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) a leasehold valuation 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.

FINDINGS

5. As we have indicated above there is some uncertainty as to who should be the applicant. The lease we have would appear to show Piper Building Limited as the Lessor having the responsibility for the works however the

Applicant might be Nelsonville Limited, Piper Building Limited or indeed Piper Management Limited. In those circumstances we have included all three as the Applicants. Our reason for so doing is that it appears only one leaseholder would be required to contribute a sum of more than £250 to the proposed works. It would be disproportionate to refer the matter back and possibly require a further application to be issued and thus more costs being incurred.

6. In reaching our decision we have borne in the mind the relevant provisions of the Act and the Supreme Court decision in *Daejan v Benson*. It appears clear from the papers before us that urgent attention was required to the roof. It would seem that the problem arose by January 2014 at the latest, given the date of the quote. However, it appears that further problems manifested themselves in April 2014 which led to the alternative and far more extensive quote from Olive Square Limited in the sum of £14,155 plus VAT, which is not being relied upon.
7. The lessor's covenants, for which on the face of the lease Piper Management Limited has responsibility, include the maintenance of the structure of the Building as defined in the lease
8. We are satisfied from the papers before us that the Respondents have been informed of the cost and would be aware of the need as a result of the initial notice dated 30th May 2014. No Respondent has objected and none have put forward any evidence of prejudice caused to them by dispensation being granted. Accordingly we will grant dispensation under the provisions of s20ZA of the Act in respect of the consultation requirements for the works envisaged under the Amber Office Interiors Limited quote in the sum of £5,750 plus VAT.
9. It should be noted however, that such dispensation does not remove the need for the Applicant (whoever it may be) to satisfy the provisions of section 19 of the Act as to the reasonableness of the works, in particular the standard and the costs. Any Respondent unhappy with those elements has the protection afforded them by s27A of the Act.

Andrew Dutton

Tribunal Judge Andrew Dutton

30th July 2014.