

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference

LON/00AH/LSC/2014/0637 LON/00AH/LDC/2015/0019

Property

41 Selcroft Road, Purley CR8 1AG

Applicant

41 Selcroft Road (Purley)

Management Company Limited

Representative

Mr George Miltadou Director

Respondent

Mrs Janice Jill Mansfield

Representative

Mrs J Mansfield

In Person

Section 27A Landlord and Tenant

Act 1985 - court referral -

determination of service charges

Type of Applications

payable

Section 20ZA Landlord and Tenant

Act 1985 – dispensation with consultation requirements

Tribunal Members

Judge John Hewitt

Mr Michael Matthews

FRICS Mrs Jacqueline Hawkins BSc MSc

Date and venue of

Hearing

18 May 2015

10 Alfred Place, London WC1E 7LR

Date of Decision

:

:

:

:

10 June 2015

DECISION

Decisions of the Tribunal

- 1. The Tribunal determines that:
 - 1.1 Of the service charge arrears claimed in the court proceedings £680 was payable at the time of issue of those proceedings and that sum has now been paid;
 - 1.2 The file shall be returned to the court in case there are any outstanding claims to be determined which are solely within the jurisdiction of the court; and
 - 1.3 The consultation requirements imposed by section 20 Landlord and Tenant Act 1985 (the Act) shall be dispensed with in connection with works carried out:
 - 1.3.1 rebuilding the two chimney stacks;
 - 1.3.2 sealing the roof above the porches of flats A and C;
 - 1.3.3 sealing of the roof above flat D; and
 - 1.3.4 cleaning the gutters

which works were commenced in August 2014 and have now been completed (the subject works).

- 2. The reasons for our decisions are set out below.
- **NB** Later reference in this Decision to a number in square brackets ([]) is a reference to the page number of the hearing file provided to us for use at the hearing.

Background

- 3. 41 Selcroft Road was constructed some 100 years ago as a large family house. Subsequently, possibly in the mid-1960's, it was converted into four self-contained flats. Each flat has its own street door and area of garden land. There are few common parts or common areas. Each of those flats was sold off on a long lease.
- 4. At some point, and by the early 1990's the freehold interest was acquired jointly by the then four long lessees. On 26 November 1993 the four existing long leases were surrendered and new leases for terms of 999 years from 24 March 1993 were granted. The lease for flat C is at [111]. The respondent, Mrs Mansfield, who is the lessee of flat B showed her lease to us and for all material purposes it is in common form with the lease for flat C.
- 5. The four current lessees are:

Flat A	Mr Neil Craddock
Flat B	Mrs Janice Mansfield
Flat C	Mr Graham Perrin
Flat D	Mr George Miltadou

Evidently Mr Craddock and Mr Perrin have been lessees for a number of years, Mrs Mansfield acquired her lease in 2008 and Mr Miltadou acquired his lease in 2012. Mr Perrin rents his flat out but the other three lessees are all owner occupiers.

- 6. We shall return to the service charge provisions of the lease shortly but at this stage we note the structure is that each lessee contributes 25% to the cost of services provided.
- 7. Evidently there were practical problems with getting signatures on formal documents when the freehold was vested jointly in four individuals and it appears that Mrs Mansfield put forward the idea that a company be incorporated to hold the freehold interest. Thus it was that the applicant (the company) was incorporated on 26 June 2013 on which date the four lessees were all appointed to be directors and were all allocated one £1 share each.
- 8. On 19 December 2013 Mrs Mansfield was removed as a director, evidently as a result of a resolution passed by the other three directors.
- 9. It became clear at the hearing that legal advice was not taken at the time it was decided to transfer the freehold to the company on the implications concerning the costs of running the company and the interrelationship with the service charge regime.
- 10. Unfortunately a major rift has arisen between Mrs Mansfield on the one hand and Messrs Miltadou, Perrin and Craddock on the other hand. A clear clash of personalities has occurred and in their correspondence with one another the parties have not seen fit to restrain themselves from making personal attacks and gratuitous insults.

Procedural background and the hearing

11. In May 2014 the company issued legal proceedings against Mrs Mansfield, Claim No. A7QZ3576 [1]. The company claimed:

Arrears of service charges		£2,380.00	
Interest pursuant to s69 County			
Courts Act 1984	£	9.28	
Further interest at £0.32 per day			
Court fee	£	105.00	
Legal representative's costs	£	50.00	

- 12. A defence was filed [5].
- 13. By an order made 28 November and drawn 2 December 2014 [21] District Judge Brown sitting at the County Court at Croydon ordered that:
 - "1. The Defendant do pay £980 to the Claimant within 14 days and do re-instate her standing order of £50 per month in favour of

the Claimant such payments to be made without prejudice to the Defendant's contention that such sums are not properly due and the Claimant's contention that larger sums are in fact due.

- 2. All outstanding issues whether raised herein or howsoever otherwise relating to service charges and the maintenance of 41 Selcroft Road, Purley, Surrey CR8 1AG be referred to the First-tier Property Tribunal [sic] (as was earlier requested by the Defendant).
- 3. No order as to costs."
- 14. Directions were given by the tribunal on 20 January 2015 [23.]
- 15. On 5 February 2015 the tribunal received an application from the company which was made pursuant to section 20ZA of the Act. That application sought dispensation with the consultation requirements imposed by section 20 of the Act in relation to the subject works.
- 16. On 10 February 2015 [29] the directions given on 20 January 2015 were varied so that both the claim to service charges made in the court proceedings and the section 20ZA application should both be heard on 18/19 May 2015.
- 17. We have been provided with a trial bundle and additional documents. Mrs Mansfield's statement of case dated 19 February 2015 is at [31]. The company's statement of case in answer dated 2 March 2015 is at [38] and Mrs Mansfield's reply dated 20 March is at [42].
- 18. The referred court proceedings and the section 20ZA application came on for hearing before us on 18 May 2015. The case for the company was presented by Mr Miltadou who was accompanied by Mr Perrin and Mr Craddock both of whom also made contributions from time to time. Mrs Mansfield, who was accompanied and supported by Mr E Ozkur, represented herself.
- 19. Both parties gave oral evidence and had the opportunity to cross-examine. Although there were numerous differences between the parties on many issues there was not that much difference of fact between them on the material matters that the tribunal had to determine.

The lease structure and the service charge regime

- 20. The sample lease of flat C that we are working on is at [111].
- 21. Material definitions

The Building: the building of which the Demised Premises form part and specified in paragraph 4 of the Particulars;

The Appropriate Fraction: the appropriate fraction specified in

Paragraph 8 of the Particulars – which in fact is

"One quarter in respect of the Building

Rent:

A peppercorn rent (if demanded)

Estate:

All parts of the building and appurtenant lands on the ownership of the Lessor and edged red on Plan No. 1 annexed hereto and registered under title number SGL543724 which have not been

specifically demised by the leases to the four flats

in the building.

- The reddendum also reserved by way of additional rent: 22.
 - " ... a sum or sums of money equal to the Appropriate Fraction which the Landlord may expend
 - (1) in effecting or maintaining the insurance of the Estate against loss or damage by fire and such other risks as are normally included in a comprehensive buildings policy and
 - (2) in complying with its obligations contained in Clause 5(5) (b) and (c) hereof

such last mentioned rent to be paid without any deduction on the next quarter day ensuing after the expenditure thereof ..."

Clause 5 sets out a number of covenants on the part of the landlord. 23. There is a curious introduction to sub-clause 5(5)

"Subject to payment by the Tenant of the sums hereinbefore covenanted to be paid by him"

which goes on to provide as follows:

- (a) (i) Comprehensively to insure the whole Estate and to keep insured against loss or damage by fire and aircraft and public liability and such other risks as are normally included in a comprehensive building policy ... (ii) ...
- (b) Well and substantially to repair cleanse maintain and renew all main structures foundations load bearing walls the exteriors of outside walls and the roofs timbers tiles slates and other roofing material and chimney pots (if any) of the Building and the ...
- (c) At frequent intervals such intervals not to be longer than seven years to paint the outside brickwork pebbledashing outside wood and iron work of the Building ... in the same colour as previously painted or such colour as is agreed by the majority of the tenants.'

- 24. It can be seen that, despite the curious introduction to sub-clause 5(5) the lease, as properly construed provides that the cost of insurance and the cost of repairs and redecorations was to be 'expended' prior to the landlord making a demand of the tenant for his or her one quarter contribution and such contribution was not payable until the next quarter day after the date of the demand. There is no provision in the lease for tenants to make payments on account of sums to be expended and no provision for periodic accounts and balancing debits or credits as the case may be. Also there is no provision for setting up a reserve fund to build up reserves from which the costs of future major works projects can be defrayed.
- 25. Obviously the service charge regime gives rise to a cash flow issue for the landlord, because it must pre-fund expenditure before it can recoup the contributions from the tenants. This may not have been quite so acute at the time when the freehold was jointly vested in the four lessees but is now more problematic because the freehold has been transferred to the company.
- 26. We have no doubt that it would be in the best interests of the current lessees to agree a deed of variation to replace the existing regime with a more modern and workable scheme but that can only be achieved by the mutual agreement of all four lessees and this tribunal does not have any power or jurisdiction to impose such a scheme.

The claimed service charge arrears

- 27. It would appear that for a number of years the scheme set out in the lease has not been followed by the lessees. We were told that the freeholder does not insure the Estate and that each lessee insures the premises demised to him or her. How this may work effectively we are not sure. It may mean that not all parts of the Estate are covered by insurance and there may problems if part of the Building is damaged and claims are made on more than one insurer. However that is the set-up which has evidently been in place for some years. It would seem that as leases have changed hands the incoming lessee has gone along with what had become established practice.
- 28. Similarly with regards to repairs and redecorations. There are very few common parts and common areas and it would seem that very little maintenance has been carried out in recent years and little expenditure incurred. Evidently the arrangement was that lessees paid or were to pay to Mr Perrin £15 per month. When and how the money accumulated was accounted for we were not told but that is not material to what we have to determine.
- 29. In July 2013 after the company had been set up and at a time when all four lessees were directors of the company they discussed and agreed that works would have to be carried out and they needed to accumulate some funds. All agreed to increase the monthly payments to £50. At one time there was some issue between Mrs Mansfield and

Mr Perrin concerning standing order arrangements but we were told that was resolved eventually.

30. It was common ground that £50 per month contributions were agreed between the parties. We find that it was implied that at appropriate intervals there would be periodic accounting of sums received and expenditure incurred. We find that such an oral agreement between the four lessees is a contractually binding agreement for so long as it subsists and that it is open to any of the lessees to give reasonable notice to the others to terminate that arrangement and to revert to the written contractual arrangement as set out in the leases.

We find that as at the issue of the court proceedings no such notice to terminate the oral contract had been given.

- 31. By 18 December 2013 Mrs Mansfield had been removed as a director.
- 32. In the court proceedings the company sued for not only certain £50 per month contributions but also for two maintenance surcharges of £750 each plus increased contributions of £150 per month from April 2014 onwards. Evidently the company arranged for a condition survey to be carried out and this was produced in January 2014 [46]. Works were recommended and Messrs Miltadou, Craddock and Perrin, as directors, resolved that there should be two maintenance surcharges imposed and that the monthly contributions should be increased from £50 to £150. It was common ground that these new arrangements were not discussed with or agreed by Mrs Mansfield.
- 33. It was also common ground that at the time when the four lessees/directors agreed to increase their contributions to £50 per month, there was no agreement that directors had the power to unilaterally increase the amount of the monthly contributions and/or impose maintenance surcharges. We thus find that any such changes to what had been agreed orally would only be binding on all four lessees if all four them agreed.
- 34. Accordingly we find that the amount of the maintenance surcharges and the monthly contributions in excess of £50 which were included in the claim issued in the court proceedings are not payable by Mrs Mansfield because they were not part of the oral agreement she had entered into.
- 35. As noted earlier the amount of the monthly contributions that Mrs Mansfield agreed and is obliged to pay total £680 and it is common ground that since the issue of the court proceedings Mrs Mansfield has paid that sum to the company.
- 36. Thus the debt claimed in the court proceedings has now been paid. There were additional claims made as regards statutory interest, court fee and costs. These are all in the exclusive jurisdiction of the court. Accordingly we have directed that the court file be returned to the court

in case either party considers it appropriate make any follow up applications to the court.

The section 20ZA application

- 37. We mentioned earlier a condition survey dated January 2014. It was common ground that Mrs Mansfield was given a copy in early February 2014.
- 38. The three directors met on 9 March 2014 to discuss the report and resolved to carry out some works which were identified as being urgent. By email dated 11 March 2014 [63] sent by Mr Miltadou to the other three lessees they were notified of the intention of the company to proceed with the urgent works identified. That email also addressed the likely cost of the works and how they might be funded and proposed the increase of monthly contributions to £150 and a surcharge of £1,500.
- 39. Mr Miltadou said that he received a hostile response from Mrs Mansfield making observations that some of the works were not necessary and that she did not want to contribute. Mr Miltadou said he had not put a copy of Mrs Mansfield's email into the trial bundle because he did not consider it to be relevant. Mrs Mansfield denies that she sent a hostile response and asserted that broadly she was in favour of the programme of works recommended at [61]. Mrs Mansfield did not introduce her response into evidence.
- Page 14 of the condition survey [61] set out a programme of works to be 40. carried out with the amount of likely costs indicated, we find, in broad terms only. Mr Miltadou told us that he copied that page, erased the amount of indicative costs and gave it to about six potential contractors inviting them to submit quotations to carry out the subject works. He received three responses and copies are at [65, 67, and 69]. Copies of those estimates were sent to Mr Perrin and Mr directors, but not to Mrs Mansfield. In the event the directors of the company resolved to place a verbal contract with Norwest Enterprises whom Mr Miltadou deemed suitable having regard to the principal's 50 years' experience in the building trade and his inspection of work carried out by the firm nearby. This was not communicated to Mrs Mansfield. Mr Miltadou accepted in cross-examination that he could have sent copies of the estimates to Mrs Mansfield but chose not to because of the hostile relationship. Mr Miltadou claimed to be ignorant of the consultation requirements at that time.
- 41. Work got underway in July 2014. Mr Miltadou says that Mrs Mansfield was given about one week's prior notice of commencement of works; which Mrs Mansfield denies asserting notice was only given the day before.
- 42. Scaffolding was erected and upon the builder having closer access to the rendering around one of the main chimney stacks recommended that that stack be re-built as well. He gave a revised estimate dated 10 July 2014 [71] which contained options. The revised estimate was

discussed between the three directors and it was decided to accept it. Mr Miltadou decided not to refer back to the surveyor who had prepared the condition survey for further guidance, evidently to save expense.

- 43. Mr Miltadou said that there was no further communication with Mrs Mansfield due the nature of the hostile relations. All that was sent was an email dated 28 August 2014 [72] calling for further funds.
- 44. The works were duly carried out and were completed in November/December 2014 but we were not told the final cost.
- 45. Messrs Miltadou, Craddock and Perrin are all satisfied that it was reasonable to carry out the works, that they were carried out to a reasonable standard and they were carried out at a reasonable cost. Mrs Mansfield does not agree at all. Mrs Mansfield has numerous issues about the scope of works, timing, the competence of the contractor, the quality of certain aspects of the works and materials used, and issues about damage to her property with materials and debris falling down the chimney into her flat. In some respects it can be said that just about everything that could be in dispute is in dispute.
- During the course of the hearing we endeavoured to make it plain to the parties that on a section 20ZA application we were concerned only with the question whether it was reasonable to dispense with the consultation requirements and that we were not making any determinations on the scope, quality or cost of works.
- 47. Mrs Mansfield accepted that she was sent a copy of the condition survey and the email dated 11 March 2014 [63] giving notice of intention to carry out the subject works. The main thrust of Mrs Mansfield's objection to the application for dispensation was that she was not given the estimates.
- 48. We endeavoured to draw from Mrs Mansfield the prejudice suffered by her as a result of her not being given the estimates. Mrs Mansfield said that if she has been sent them she could and would have done some research on the contractors and would have got estimates of her own which she would have sent to the three directors with a view to reconsideration of the contractor to engage. Mrs Mansfield was extremely critical of what she regarded as being Mr Miltadou' dictatorial attitude and she considered it extremely unfair that she was not allowed to see the quotes and she considers that her position has been compromised.

Discussion and findings

49. The main problem here is the total breakdown in the relationship between the four lessees. The strong impression given to us is that both sides have taken unreasonable and uncompromising positions. Ideally with a small development such at this it should be managed with the consensus of all four lessees. Where that is not possible the democratic

- outcome is that the majority will prevail and at the moment Mrs Mansfield is in the minority, and she finds that uncomfortable.
- 50. When the freehold was in the joint names of the four lessees it may have been intended that all four would contribute to the decision-making process. That intention may even have continued with the decision to put the freehold into the company and with all four lessees being both shareholders and directors. That dynamic changed with the decision to remove Mrs Mansfield as a director and to exclude her from the decision-making process. Given the ineffective terms of the leases and the funding problems going forward the parties really do need to find a way in which they can work together. To fail to do that is a recipe for disaster.
- As regards the subject works we find that given the terms of the condition survey it was not unreasonable for the directors to go ahead with the subject works. Mrs Mansfield was given notice of the intention to carry out works and did make some observations about them but neither party has told us what those observations were.
- 52. Mrs Mansfield was not given a formal opportunity to nominate a contractor to whom the directors should approach for a quotation and Mrs Mansfield was not given notice of the estimates/quotations received and the opportunity to make observations on them. Mrs Mansfield clearly relishes a hands-on approach to the management of the development but given she is not now a director of the company her ability to do so is quite limited. In relation to such matters as choice of insurer or strategy for the management of the development the power to act/decide is now in the hands of the three directors and even though Mrs Mansfield is a shareholder that confers upon her only limited rights of day to day input and involvement.
- 53. As regards major works projects comprising qualifying works within the meaning of section 20 of the Act the role of Mrs Mansfield as a lessee is limited to making observations to the directors on certain matters. It is then for the directors to make the decision whether and how to proceed with a project and with whom to place a contract. Mrs Mansfield has no further input having made her observations. Mrs Mansfield has no right of veto of what the directors may properly decide.
- 54. In *Daejan Investments Limited v Benson and others* [2013] UKSC 14 the Supreme Court gave guidance as to the manner in which the tribunal should approach applications for dispensation under section 20ZA. It said the focus should be on prejudice (if any) occasioned by a tenant and whether any such prejudice as may be shown can be recompensed or ameliorated by the imposition of appropriate conditions. The burden of proof to show prejudice rests on the tenant and whilst the tribunal must view the tenant's argument with sympathy the tenant must discharge the burden of proof.

- 55. We have little doubt that if Mrs Mansfield had made observations on the quotations obtained by the company the directors would not have regarded them with much (if any) sympathy and would have given them scant regard. The decision to proceed with Norwest Enterprises had been taken and we find it is most unlikely that anything Mrs Mansfield had said or done would have caused Mr Miltadou to change his mind about that appointment.
- 56. We find that in the present case Mrs Mansfield has failed to show prejudice.
- 57. For these reasons we have determined we are obliged to grant dispensation and that it would not be appropriate to impose any conditions.
- 58. For avoidance of doubt we again stress that in arriving at this decision we are not making any determination on the reasonableness of the scope, quality or cost of the works or the timing of the works. If any of these matters are in dispute and that dispute cannot be resolved amicably then it is open to either party to make an application to the tribunal pursuant to section 27A of Act for what is in dispute to be determined.
- 59. Although we recognise that in *Daejan* the Supreme Court indicated that the nature of the landlord and the financial consequences to the landlord in not granting dispensation are not relevant factors, we observe that if dispensation had not been granted there would have been a financial limit on the amount of Mrs Mansfield's contribution to the subject works. The company is a small company with very limited means. The company is already at risk of insolvency. If the directors cannot raise funds promptly the company may have to be put into liquidation. In consequence the freehold interest would vest in the Crown as bona vacantia pending a sale. There would be no directors in place with the power to manage the development. That situation together with the consequent additional financial burdens that would inevitably rest on the four lessees ultimately ought to be avoided at all costs.

Statutory provisions

60. Statutory provisions which are material to this decision are set out in the Schedule below.

Judge John Hewitt 10 June 2015

The Schedule

Landlord and Tenant Act 1985

18. — Meaning of "service charge" and "relevant costs".

- (1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent—
 - (a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and
 - (b) the whole or part of which varies or may vary according to the relevant costs.
- (2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.

(3) For this purpose—

- (a) "costs" includes overheads, and
- (b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

19.— Limitation of service charges: reasonableness.

- (1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period—
 - (a) only to the extent that they are reasonably incurred, and
 - (b) where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard; and the amount payable shall be limited accordingly.
- (2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

(2A)-(3) (4) ... [repealed]

(5) If a person takes any proceedings in the High Court in pursuance of any of the provisions of this Act relating to service charges and he could have taken those proceedings in the county court, he shall not be entitled to recover any costs.

20.- Limitation of service charges: consultation requirements

(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.

20ZA Consultation requirements: supplementary

- (1) Where an application is made to the appropriate 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.