

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

**Case reference** LON/00AG/LDC/2019/0056

72 Loveridge Road, London, NW6 **Property** 

2DT

**Applicant** 72 Loveridge Road Ltd

**Aldermartin Baines & Cuthbert,** Representative :

**Managing Agent** 

(1) Mrs J Aziz (GFF)

(2) Mr Haigh & Ms Hathi (Flat 2) Respondent :

(3) Mr J Summer (Flat 3)

Representative N/A

For dispensation under section

20ZA of the Landlord & Tenant Act Type of application :

1985

Tribunal member Tribunal Judge I Mohabir :

Ms M Krisko FRICS

Date and venue of

determination 10 Alfred Place, London WC1E 7LR

9 May 2019

**Date of decision** 13 May 2019

### **DECISION**

#### Introduction

- 1. The Applicant makes an application in this matter under section 20ZA of the Landlord and Tenant Act 1985 (as amended) ("the Act") for dispensation from the consultation requirements imposed by section 20 of the Act.
- 2. 72 Loveridge Road, London, NW6 2DT ("the property") is described as a Victorian terraced house converted into 3 flats on the ground, first and second floors. Under the terms of the residential leases, the lessees are required to pay a service charge contribution in respect of the "retained parts", which includes the roof and roof structures of the building.
- 3. Apparently, the rear flat roof above the kitchen of the ground floor flat is defective so that when there is heavy rain there is significant water ingress to the kitchen, which could affect the electrics.
- 4. As a consequence, the Applicants' managing agent, Aldermartin Baines & Cuthbert ("ABC") instructed a chartered building surveyor to prepare a Specification of Works for the remedial works to the flat roof.
- 5. On 28 December 2018, ABC served a Notice of Intention pursuant to section 20 of the Act proposing to replace the defective flat roof and invited the leaseholders to nominate a contractor to carry out the work. It seems that although the estimate obtained by the leaseholders was the lowest, it was not prepared by reference to the specification and ABC does not wish to use their contractor. The differing views have led to delay in a contractor being instructed and this is the reason why this application has been made.
- 6. On 15 April 2019, the Tribunal issued Directions and directed the lessees to respond to the application stating whether they objected to it in any way. A copy of the application was served personally on the lessees by ABC on 20 April 2019. The Tribunal also directed that this application be determined on the basis of written representations only.
- 7. No Respondent has filed any objection to the application.

### Relevant Law

8. This is set out in the Appendix annexed hereto.

### Decision

9. The determination of the application took place on 13 May 2019 without an oral hearing. It was based solely on the statement of case and other documentary evidence filed by the Applicant. No evidence was filed by any of the Respondents.

- 10. The relevant test to the applied in an application such as this has been set out in the Supreme Court decision in *Daejan Investments Ltd v Benson & Ors* [2013] UKSC 14 where it was held that the purpose of the consultation requirements imposed by section 20 of the Act was to ensure that tenants were protected from paying for inappropriate works or paying more than was appropriate. In other words, a tenant should suffer no prejudice in this way.
- 11. The issue before the Tribunal was whether dispensation should be granted in relation to requirement to carry out statutory consultation with the leaseholders regarding the flat roof replacement. It should be noted that the Tribunal is not concerned about the actual cost that has or will be incurred, as that is not within the scope of this application.
- 12. The Tribunal granted the application the following reasons:
  - (a) the fact that each of the leaseholders has been kept informed of the defective rear flat roof to the ground floor flat and the requirement to carry out the replacement.
  - (b) the fact that each of the leaseholders had been served with a copy of the application and documents in support.
  - (c) no leaseholder has objected to the application.
  - (d) the Tribunal accepted the evidence of ABC that the leaseholders' contractor has not prepared an estimate of the cost of the proposed works by reference to the specification that had been prepared.
  - (e) the need to resolve the impasse between the parties and the urgency in having the proposed roof works being carried out as soon as possible because of the water ingress to the kitchen in the ground floor flat and the health and safety risk posed to the electrics as a result.
  - (f) importantly, any prejudice to the Respondents would be in the cost of the works and they have the statutory protection of section 19 of the Act, which preserves their right to challenge the actual costs incurred.
- 13. The Tribunal, therefore, concluded that the Respondents would not be prejudiced by the failure to consult by the Applicant and the application was granted as sought.
- 14. It should be noted that in granting this part of the application, the Tribunal makes no finding that the scope and estimated cost of the repairs are reasonable. It is open to any of the Respondents to later challenge those matters by making an application under section 27A of the Act in the event that this becomes necessary.

Name: Tribunal Judge I Mohabir Date: 13 May 2019

## **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-

<sup>&</sup>quot;qualifying works" means works on a building or any other premises.