

# FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/00HN/LDC/2021/0003

**Property** : Skerryvore Court, 63 Alum Chine Road,

Bournemouth BH4 8DS

**Applicant**: Skerryvore Court Management Company

Limited

**Representative**: Initiative Property Management

Respondent :

Representative :

**Type of Application** : To dispense with the requirement to

consult lessees about major works section 20ZA of the Landlord and Tenant Act 1985

**Tribunal Member(s)** : D Banfield FRICS

Regional Surveyor

**Date of Decision** : 10 March 2021

#### **DECISION**

The Tribunal grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of the works to repair the roof above Flat 4 as detailed in the Greenward Associates report dated 27 October 2021.

In granting dispensation, the Tribunal makes no determination as to whether any service charge costs are reasonable or payable.

## **Background**

- 1. The Applicant seeks dispensation under Section 20ZA of the Landlord and Tenant Act 1985 from the consultation requirements imposed on the landlord by Section 20 of the 1985 Act.
- 2. The Applicant explained that there is water ingress to one of the flats. A surveyor's report has been obtained and a contractor found who intends to start works in about 3 weeks.
- 3. The Tribunal made Directions on 6 January 2021 indicating that the Tribunal considered that the application was suitable to be determined on the papers without a hearing in accordance with rule 31 of the Tribunal Procedure Rules 2013 unless a party objected.
- 4. The Tribunal required the Applicant to send to the Respondents its Directions together with a copy of the Application and a form to indicate whether they agreed with or objected to the application and if they objected to send their reasons to the Applicant.
- 5. It was indicated that if the application was agreed to or no response was received the lessees would be removed as Respondents.
- 6. Eight lessees responded all of whom agreed with the application and in accordance with the preceding paragraph have been removed as respondents.
- 7. No requests for an oral hearing were made and the matter is therefore determined on the papers in accordance with Rule 31 of the Tribunal's Procedural Rules.
- 8. The only issue for the Tribunal is whether it is reasonable to dispense with any statutory consultation requirements. This decision does not concern the issue of whether any service charge costs will be reasonable or payable.

#### The Law

9. The relevant section of the Act reads as follows:

S.20 ZA Consultation requirements:

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 longterm agreement, the Tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements.

10. The matter was examined in some detail by the Supreme Court in the case of Daejan Investments Ltd v Benson. In summary the Supreme Court noted the following

- i. The main question for the Tribunal when considering how to exercise its jurisdiction in accordance with section 20ZA is the real prejudice to the tenants flowing from the landlord's breach of the consultation requirements.
- ii. The financial consequence to the landlord of not granting a dispensation is not a relevant factor. The nature of the landlord is not a relevant factor.
- iii. Dispensation should not be refused solely because the landlord seriously breached, or departed from, the consultation requirements.
- iv. The Tribunal has power to grant a dispensation as it thinks fit, provided that any terms are appropriate.
- v. The Tribunal has power to impose a condition that the landlord pays the tenants' reasonable costs (including surveyor and/or legal fees) incurred in connection with the landlord's application under section 20ZA (1).
- vi. The legal burden of proof in relation to dispensation applications is on the landlord. The factual burden of identifying some "relevant" prejudice that they would or might have suffered is on the tenants.
- vii. The court considered that "relevant" prejudice should be given a narrow definition; it means whether non-compliance with the consultation requirements has led the landlord to incur costs in an unreasonable amount or to incur them in the provision of services, or in the carrying out of works, which fell below a reasonable standard, in other words whether the non-compliance has in that sense caused prejudice to the tenant.
- viii. The more serious and/or deliberate the landlord's failure, the more readily a Tribunal would be likely to accept that the tenants had suffered prejudice.
  - ix. Once the tenants had shown a credible case for prejudice, the Tribunal should look to the landlord to rebut it.

#### **Evidence**

11. The Applicant has supplied a bundle of evidence in support of the application which contains the report from Greenward Associates detailing the work to be undertaken.

#### **Determination**

- Dispensation from the consultation requirements of S.20 of the Act may be given where the Tribunal is satisfied that it is reasonable to dispense with those requirements. Guidance on how such power may be exercised is provided by the leading case of Daejan v Benson referred to above.
- 13. The work is clearly urgent and further damage is likely to result by incurring the inevitable delays by following the S. 20 procedures in full. Competitive tenders were obtained and no objections have been received from the lessees and in these circumstances I am prepared to grant the dispensation requested.
- In view of the above the Tribunal grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of the works to repair the roof above Flat 4 as detailed in the Greenward Associates report dated 27 October 2021.
- 15. In granting dispensation, the Tribunal makes no determination as to whether any service charge costs are reasonable or payable.

D Banfield FRICS 10 March 2021

### **RIGHTS OF APPEAL**

- 1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application by email to <a href="mailto:rpsouthern@justice.gov.uk">rpsouthern@justice.gov.uk</a> to the First-tier Tribunal at the Regional office which has been dealing with the case.
- 2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
- 3. If the person wishing to appeal does not comply with the 28 day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

