



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

Case Reference	: CHI/23UF/LDC/2022/0098
Property	: West Grange Court, Lovedays Mead, Stroud, Gloucestershire, GL5 1XB
Applicant	: West Grange Court Management Limited
Representative	: Sawyers Estate Agents
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	: D Banfield FRICS Regional Surveyor
Date of Decision	: 19 December 2022

DECISION

The Tribunal grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of repairs to the roof covering.

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

The Applicant is to send a copy of this determination to all of the lessees liable to contribute to service charges.

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. The application was received on 14 November 2022.
2. The estate is described as *“26 purpose built properties each with 2 bedrooms, made up of the following: 10 Bungalows 2 Maisonettes 2 Flats 12 Houses. There are also 2 blocks of garages each with 4. All the buildings are made with reconstituted Cotswold stone and slate roofs. Numbers 1-16 were built in 1995, and numbers 18-26 in 1999.”*
3. The Applicant explains that:

“The roof tiles on houses 21-26 are made up of a German composite slate tile which have started to bow and come loose. There has been repair work to these roofs in 2021 but tiles keep coming loose and falling to the ground. All residents on the Estate are elderly and are at risk due to falling tiles.”

A few quotes have been received from various builders to undertake the works. The Directors at West Grange Court have decided on a local builder – Shire Building and Property Maintenance. The quotes are attached as Annexure 2. The roofs that need replacing: Property Address 21-22 - £17,341.76. Property Address 24 - £10,098.84.

In October 2022 the Estate had an AGM where by a show of hands it was decided that the First-tier Tribunal would be applied for the Dispensation of Section 20. (AGM minutes attached as Annexure 3) At the ATM (sic) it was agreed that a survey on the roofs in question should be done before the work was carried out. However, The Directors had a meeting on the 4th November 2022, and it was agreed that the Tribunal application should be processed without the Survey, as this would generate unnecessary costs & time. A survey costing £600+VAT. The danger of the slate falling and causing bodily harm is creating to (sic) much of a risk for the residents, all of whom are aged 50-90yrs.

And further:

“Section 20 has not been carried out as the West Grange Court Management Ltd feels that it would take to (sic) long for this process. Shire Building & Property Management is starting work at West Grange Court in late November 2022, on other areas of the Estate. The Directors would like them to start the Roofs 21/22 and 24 as soon as this other work is finished. West Grange Court Management Ltd are aware that it has been difficult to find available builders to do the work.”

4. The Tribunal made Directions on 15 November 2022 setting out a timetable for the disposal and requiring the Applicant to send them to the parties together with a form for the Leaseholders to indicate to the Tribunal whether they agreed with or opposed the application and whether they requested an oral hearing. Those Leaseholders who agreed with the application or failed to return the form would be removed as Respondents.
5. On 21 November 2022 the Applicant confirmed that the documents had been distributed to the Leaseholders and on 30 November 2022 that six replies had been received none of whom objected. On 6 December 2022 a further email was received from the Applicant indicating that No 17 did not agree but refused to return the form. In the absence of an objection received in accordance with the Tribunal's Directions the lessees are removed as Respondents.
6. 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.
7. Before making this determination, the papers received were examined to determine whether the issues remained capable of determination without an oral hearing and it was decided that they were, given that the application remained unchallenged.

The Law

8. 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 long-term agreement, the Tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements.
9. 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;
 - a. 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.
 - b. 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.

- c. Dispensation should not be refused solely because the landlord seriously breached, or departed from, the consultation requirements.
- d. The Tribunal has power to grant a dispensation as it thinks fit, provided that any terms are appropriate.
- e. 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).
- f. 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.
- g. 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.
- h. 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.
- i. Once the tenants had shown a credible case for prejudice, the Tribunal should look to the landlord to rebut it.

Evidence

- 10. The Applicant's case is set out in paragraphs 2 and 3 above.

Determination

- 11. 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.
- 12. Works to maintain the roof covering is clearly essential and should not be delayed by following the full consultation procedures.
- 13. No objections have been received following receipt of the Tribunal's directions indicating that the type of prejudice referred to in the Daejan case above has been suffered. As such I am prepared to grant the dispensation required.

14. The Tribunal therefore grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of repairs to the roof covering.
15. In granting dispensation, the Tribunal makes no determination as to whether any service charge costs are reasonable or payable.
16. The Applicant is to send a copy of this determination to all of the lessees liable to contribute to service charges.

D Banfield FRICS
19 December 2022

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 rpsouthern@justice.gov.uk 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.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.