

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference	:	CHI/24UL/LDC/2023/0033
Property	:	23 Church Lane East, Aldershot, Hants GU11 3BS
Applicant	:	Southern Land Securities
Representative	:	Together Property Management
Respondent	:	Mr Timothy A Peerless & Mrs Felicity Peerless (23) Ms Amanda Louise Norton (23A)
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	:	11 April 2023
DECISION		

The Tribunal grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of lintel repairs including making good.

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. This retrospective application was received on 14 March 2023.
- 2. The property is described as "a semi-detached house constructed circa 1900 that was converted into two self-contained flats some forty years ago."
- 3. The Applicant explains that:
 - "We were made aware by a Lessee that there are cracks on the outside of the building and a surveyor has attended the property and hes found right-hand floor lintel in dangerous condition with immediate propping works required. We confirm that the propping work has been carried out and a CCTV of the drains. However, the works required to make good I would class as urgent and we need to proceed as soon as possible.We will proceed with the rest of the work on granting dispensation.
 - We have received a report of external cracks and on investigation as stated above urgent lintel works are required to the building. A copy of the surveyors report will be included in the bundle along with the invoices of the fees incurred so far. This property consist of 2 flats and the section 20 threshold at the property is £500.00."
- 4. The Tribunal made Directions on 24 March 2023 setting out a timetable for the disposal. The Tribunal sent 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 although they would remain bound by the Tribunal's Decision.
- 5. One Lessee responded and on 3 April 2023 the Applicant confirmed that no objections had been received.
- 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 longterm 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. Clearly maintaining the structure and the remediation of hazards is essential to the enjoyment of the property by its occupiers and should not be unduly delayed by following the full S.20 consultation procedures. In this case no prejudice has been identified by the Lessees and as such the Tribunal is prepared to grant the dispensation required in respect of the urgent works to repair the lintel.
- 13. The Tribunal therefore grants dispensation from the consultation requirements of S.20 Landlord and Tenant Act 1985 in respect of lintel repairs including making good.
- 14. In granting dispensation, the Tribunal makes no determination as to whether any service charge costs are reasonable or payable.
- 15. The Decision is binding on the Lessees to whom the Tribunal will send copies of its determination.

D Banfield FRICS 11 April 2023

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 <u>rpsouthern@justice.gov.uk</u> 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.