



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

Case reference : **LON/00AT/LDC/2022/0103**
P:Paperremote

Property : **Lighterage Court, High Street,
Brentford TW8 0FT**

Applicant : **Kings Reach Management Company
Limited**

Respondent leaseholders : **The leaseholders named on the
schedule attached to the application**

Type of application : **To dispense with the consultation
requirements under S.20 Landlord
and Tenant Act 1985**

Tribunal member(s) : **Mrs E Flint FRICS**

**Date and venue of
determination** : **6 September 2022**
Remote on the papers

DECISION

This has been a remote hearing on the papers which has been consented to by the Applicant and not objected to by the Respondent. A face to face hearing was not held because it was not practicable, no-one requested the same, and all the issues could be determined on the papers. The documents that I was referred to were in an electronic bundle of 213 pages, the contents of which I have recorded.

Decision of the tribunal

- (1) The Tribunal grants dispensation from all of the consultation requirements under S.20 of the Landlord and Tenant Act 1985 in relation to entering into a qualifying long-term agreement with Opus Energy for the supply of gas to the premises.
- (2) The question of reasonableness of the works or cost was not included in this application, the sole purpose of which is to seek dispensation.

The Background

1. The application under section 20ZA of the Landlord and Tenant Act 1985 (“the Act”) was made by J B Leitch limited on behalf of the applicants on 23 May 2022.
2. The application concerned entering into a three year agreement for the supply of gas to the premises to commence at the expiry of the previous 12 month agreement.
3. Directions were issued on 15 July 2022 requiring the applicant to prepare bundles by 26 August 2022 to include statements
 - (i) Setting out the full grounds for the application, including all of the documents on which the landlord relies and copies of any replies from the tenants;
 - (ii) The Leaseholders were asked to confirm by 12 August 2022 whether or not they would give their consent to the application.
 - (iii) In the event that such agreement was not forthcoming the leaseholders were to state why they opposed the application; and provide copies of all documents to be relied upon.
4. J B Leitch Limited, on behalf of the applicant, confirmed that on 28 July the respondent leaseholders had each been sent a copy of the S20ZA application form, the applicant’s statement of case, a copy of the Directions and reply form. It was confirmed on 15 August 2022 that responses had been received from the lessees of flats 5,9, 23, 32, 35, 38, 53, 54 and 55, moreover there were no objections to the application.
5. The Leaseholders were informed in the Directions issued by the Tribunal that the question of reasonableness of the works or cost was not included in this application, the sole purpose of which is to seek dispensation.

The Evidence

6. Lighterage Court comprises a modern purpose built block of 56 flats with ground floor commercial premises and basement parking.
7. The applicant stated that the gas had been supplied by SSE under a 12 month contract which was due to expire on 31 March 2022.
8. In early March the applicant contacted SSE, its existing supplier, to obtain a quote for the gas supply for the following year. It had been difficult to obtain any quote from SSE. The applicant sought to obtain quotations from a number of other companies and also used the services of a broker with a view to obtaining the most competitive quotation on the basis of one, two or three year costs. It was stated that the cost of gas was increasing on a daily basis and not all companies were willing to quote for a business contract.
9. The applicant received quotations from three companies on a one, two and three year basis and chose Opus Energy's three year contract as representing the best value for money out of all the quotations received. The applicant was required to give SSE 30 days notice if they wished to transfer to another supplier. Notice was given once it became apparent that a new timely quote was not forthcoming from SSE. Having considered all the quotations the applicant entered into a new three year contract with Opus Energy to commence on 22 April 2022.

The Decision

10. The relevant test to be applied in an application for dispensation was set out by the Supreme Court in *Daejan Investments Ltd v Benson & Ors* [2013] UKSC 14 where it was held that the purpose of the section 20 consultation procedure was to protect tenants from paying for inappropriate works or paying an inappropriate amount. Dispensation should not result in prejudice to the tenant.
11. The Tribunal determines from the evidence before it that the the applicant took all reasonable steps to obtain the best value contract for the supply of gas to the property. It had to decide on the basis of the quotations the length of contract to enter into and based on the daily increase in gas price chose the contract which at te time appeared to offer best value for money. There have been no objections from any leaseholder and no prejudice to the lessees has been demonstrated or asserted.

12. On the evidence before it, and in these circumstances, the Tribunal considers that the application for dispensation be granted.

Name: Evelyn Flint

Date: 6 September 2022

RIGHTS OF APPEAL

1. If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber) then a written application for permission must be made to the First-tier Tribunal at the Regional office which has been dealing with the case.
2. The application for permission to appeal must arrive at the Regional office within 28 days after the Tribunal sends written reasons for the decision to the person making the application.
3. If the application is not made within the 28 day time limit, such application must include a request for an extension of time and the reason for not complying with the 28 day time limit; the Tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed despite not being within the time limit.
4. The application for permission to appeal must identify the decision of the Tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal, and state the result the party making the application is seeking.