

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : CHI/29UG/LDC/2023/0007/AW

Property : 5 London Road, Northfleet, Gravesend,

Kent, DA11 9JE

Applicant : Richard Blunden

(William Richard Arthur Blunden)

Representative :

Respondents : Selina Westerman – Flat 1

Richard Blunden – Flat 2 Remi Ogidi _ Flat 3 Mr Akinsola – Flat 4 Steve Bowles -Flat 5

Andrew Shoesmith - Flat 6

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): Judge Tildesley OBE

Date and Venue of

Hearing

: Determination on Papers

Date of Decision : 15 March 2023

DECISION

The Application

- 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 made on 21 January 2023. The Applicant supplied copies of two leases on 8 February 2023.
- 2. The property is described as a large 1850's house which was converted into six two bedroomed flats in 1984.
- 3. The Applicant explained that rain water was leaking through the roof area causing damage to Flats 5 and 6. The Applicant had instructed a surveyor who found that the bitumen felt roof covering to the flat roof was cracked and the material deteriorating. The Applicant stated that the works were urgent to prevent further damage to Flats 5 and 6, and that Flat 5 could not be relet until the work is completed.
- 4. The Applicant sought dispensation on the grounds of the urgency of the matter and to prevent further damage to Flats 5 and 6. The Applicant requested dispensation for the costs of the works which would involve stripping the roofs including the deck down to the joists, renew insulation between joists and deck, and replace the existing covering with a three layer system with mineral finish. The Applicant also required dispensation for the costs of scaffolding, skips and minor repairs to the main roof including the removal of any aerials.
- 5. The Applicant said that he had spoken to all the leaseholders bar one who said they were in agreement with the works proposed.
- 6. On 15 February 2023 the Tribunal directed the application to be heard on the papers unless a party objected within seven days. Further the Applicant was required to serve the application and directions on the Respondents. On 17 February 2023 the Applicant confirmed that it had provided the Respondents with the application and directions plus the specifications and the proposed costs of the works.
- 7. The Tribunal required the Respondents to return a pro-forma to the Tribunal and to the Applicant by 28 February 2023 indicating whether they agreed or disagreed with the Application. The Tribunal received responses from all the leaseholders except the leaseholder of flat 3. The leaseholders who responded agreed with the application and that it could be dealt with on the papers.
- 8. The Tribunal also directed the Applicant to confirm to the Tribunal by 3 March 2023 that no objections have been received from the leaseholders. On 9 March 2023 the Applicant confirmed that it had received no objections, although one leaseholder had said that "other people are benefitting from it but I don't seem to".

Determination

- 9. The 1985 Act provides leaseholders with safeguards in respect of the recovery of the landlord's costs in connection with qualifying works. Section 19 ensures that the landlord can only recover those costs that are reasonably incurred on works that are carried out to a reasonable standard. Section 20 requires the landlord to consult with leaseholders in a prescribed manner about the qualifying works. If the landlord fails to do this, a leaseholder's contribution is limited to £250, unless the Tribunal dispenses with the requirement to consult.
- 10. In this case the Tribunal's decision is confined to the dispensation from the consultation requirements in respect of the works under section 20ZA of the 1985 Act. The Tribunal is not making a determination on whether the costs of those works are reasonable or payable. If a leaseholder wishes to challenge the reasonableness of those costs, then a separate application under section 27A of the Landlord and Tenant Act 1985 would have to be made.
- 11. Section 20ZA does not elaborate on the circumstances in which it might be reasonable to dispense with the consultation requirements. On the face of the wording, the Tribunal is given a broad discretion on whether to grant or refuse dispensation. The discretion, however, must be exercised in the context of the legal safeguards given to the Applicant under sections 19 and 20 of the 1985 Act. This was the conclusion of the Supreme Court in *Daejan Investments Ltd v Benson and Others* [2013] UKSC 14 & 54 which decided that the Tribunal should focus on the issue of prejudice to the tenant in respect of the statutory safeguards.
- 12. Lord Neuberger in *Daejan* said at paragraph 44

"Given that the purpose of the Requirements is to ensure that the tenants are protected from (i) paying for inappropriate works or (ii) paying more than would be appropriate, it seems to me that the issue on which the LVT should focus when entertaining an application by a landlord under s 20ZA(1) must be the extent, if any, to which the tenants were prejudiced in either respect by the failure of the landlord to comply with the Requirements".

- 13. Thus, the correct approach to an application for dispensation is for the Tribunal to decide whether and if so to what extent the leaseholders would suffer relevant prejudice if unconditional dispensation was granted. The factual burden is on the leaseholders to identify any relevant prejudice which they claim they might have suffered. If the leaseholders show a creditable case for prejudice, the Tribunal should look to the landlord to rebut it, failing which it should, in the absence of good reason to the contrary, require the landlord to reduce the amount claimed as service charges to compensate the leaseholders fully for that prejudice.
- 14. The Tribunal now turns to the facts. The Tribunal is satisfied that the works to the works to prevent water ingress in Flats 5 and 6 were

urgent to prevent further damage to the Flats. The Tribunal accepts that if the Applicant had to embark on the full statutory consultation process it would add unnecessary delay to the carrying out of the works. The Tribunal takes into account that no leaseholder has objected to the Application. The Tribunal notes the comment of the leaseholder that s/he would not benefit directly from the works. The Tribunal, however, comments that the leaseholder's obligation to contribute to costs of the works to the main structure of the property is determined by the terms of the lease, and not whether s/he benefits directly from the works undertaken.

15. The Tribunal is, therefore, satisfied that the leaseholders would suffer no relevant prejudice if dispensation from consultation was granted.

Decision

- 16. The Tribunal grants an order dispensing with the consultation requirements in respect of the works to replace the roof covering more particularly described in paragraph 4 above.
- 17. The Tribunal directs the Applicant to supply a copy of the decision to the leaseholders and confirm that it has served the decision on them.

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.