



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

<b>Case reference</b>	:	<b>CAM/11UC/LDC/2023/0023</b>
<b>Properties</b>	:	<b>Various Properties in the Buckinghamshire, Hertfordshire, Bedfordshire, Berkshire, Cambridgeshire, Middlesex and Oxfordshire areas</b>
<b>Applicant</b>	:	<b>Paradigm Homes Charitable Housing Association Ltd</b>
<b>Representative</b>	:	<b>Clarke Willmott LLP</b>
<b>Respondents</b>	:	<b>The leaseholders named on the application</b>
<b>Representative</b>	:	
<b>Type of application</b>	:	<b>For the dispensation of some of the consultation requirements under s.20 Landlord and Tenant Act 1985</b>
<b>Tribunal member</b>	:	<b>Judge Simon Brilliant</b>
<b>Date of decision</b>	:	<b>20 July 2023</b>

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**DECISION**

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**Decision of the Tribunal**

The Tribunal determines that those parts of the consultation requirements provided for by s.20 of the Landlord and Tenant Act 1985 ("the Act") which have not been complied with are to be dispensed with.

**The application**

1. The Applicant seeks a determination pursuant to s.20ZA of the Act for the dispensation of all or any of the consultation requirements provided for by s.20 of the Act. The application was dated 14 April 2023.
2. Directions of the Tribunal were issued on 24 May 2023.
3. The case was listed for a paper determination. No request had been made by any of the parties for an oral hearing.

### **The hearing**

4. The matter was determined by way of a paper hearing which took place on 20 July 2023.

### **The background**

5. There are a very large number of properties concerned in this application. They consist of 6,073 properties within 814 blocks of flats, situated within seven counties.

### **The application**

6. In this application, the Applicant landlord seeks dispensation with the statutory consultation requirements in respect of a proposed qualifying long-term agreement (“QLTA”).
7. The Applicant proposes to enter into a QLTA for the supply of energy from about October 2023. This would include supply of gas to heat any communal areas, supply of electricity for any communal lighting and in the case of some of the Respondents supply of gas and electricity directly to their property, as explained in the application documents.
8. The Applicant indicates that energy would be supplied under the proposed agreement to the properties referred to in paragraph 5 above.
9. The Applicant’s evidence is contained witness statements of Laura Summerell, who is the Applicant’s Head of Procurement, and Tara Moseley, an associate solicitor at Clarke Willmott LLP.
10. The Applicant’s trusted energy broker/service provider is Inenco.
11. This application is made in respect of a new energy contract which Inenco will procure for the Applicant. The terms of the energy contract are not yet known since it will only be when Inenco approaches the energy market that it can advise the Applicant on the best value contract available for its needs.
12. In the next five months Inenco will procure a new energy contract for a term of up to 5 years to secure the best possible price from the wholesale energy market where various energy suppliers trade, as the current energy contract expires in October 2023.
13. Once Inenco has secured suitable options for the Applicant, it will advise the Applicant of the best available contracts and the Applicant will then have a very short window to enter into the contract with the most suitable energy supplier before the contract price changes to what is likely to be a higher figure.

14. It is this energy contract which will constitute the QLTA. Due to the way the energy market works it is not possible to comply with s.20 and it is common practice to seek dispensation, as the Tribunal is aware.

15. There have been five objections from the Respondents (0.0008% of the total). The all raised queries which in my judgment were answered satisfactorily by the Applicant in writing.

16. The only issue for the Tribunal is whether it is reasonable to dispense with the statutory consultation requirements. **This application does not concern the issue of whether any service charge costs will be reasonable or payable.**

### **Decision of the tribunal**

17. s.20 of the Act provides for the limitation of service charges in the event that the statutory consultation requirements are not met. The consultation requirements apply where the works are qualifying works (as in this case) and only £250 can be recovered from a tenant in respect of such works unless the consultation requirements have either been complied with or dispensed with.

18. Dispensation is dealt with by s.20ZA of the Act which provides:-

**"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"**

19. The Tribunal is satisfied that, in the particular circumstances of this case, it is reasonable to dispense with the consultation requirements in respect of a single new proposed agreement with an energy supplier for the supply of energy, for a term of up to 5 years.

20. The Tribunal's determination is limited to this application for dispensation of consultation requirements under section 20ZA of the Act.

**Name:** Simon Brilliant

**Date:** 20 July 2023

