

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

Case Reference	:	CHI/00MW/LDC/2024/0020
Property	:	Silver Sands Court, Church Road, Bembridge, Isle of Wight, PO35 5AA
Applicant	:	McCarthy & Stone Retirement Lifestyles Limited
Representative	:	
Respondent	:	The Leaseholders
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 Members	:	Judge J Dobson Mr M J F Donaldson FRICS
Date of Hearing	:	13 <sup>th</sup> May 2024
Venue	:	Newport Combined Court
Date of Decision	:	3 <sup>rd</sup> July 2024

# DECISION

### Summary of the Decision

1. The Applicant is granted 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 in respect of major works, being replacement of the UPS (Uninterruptable Power Supply) system serving the extractor fans to the undercroft car park. The Tribunal has made no determination on whether the costs of the works are reasonable or payable.

## The application and the history of the case

- 2. The Applicant applied by application received 25<sup>th</sup> January 2024 for dispensation under Section 20ZA of the Landlord and Tenant Act 1985 ("the Act") from the consultation requirements imposed by Section 20 of the Act.
- 3. The Property is described in the application as a:

"Purpose built block of flats comprising of one and two bedroom apartments, age-restricted community for the over Sixties."

4. The works are described as:

"Replacement of UPS (Uninterruptable Power Supply) system serving extractor fans to the car park under the residential development, after corrosional damage caused by condensation. Works to be carried out ASAP."

5. The Applicant stated additionally that:

"The UPS system for the active ventilation of the enclosed underbuilding car park is an essential part of the fire safety strategy at this retirement development. The fans were working but had no back up power supply increasing the risk to life in the event of a fire in the car park. The system needed to be bought back into full operation as soon as possible to mitigate this risk.

This was discussed with homeowners at a number of coffee mornings with the development House Manager. It was also discussed with the Operations Manager during her visits to the development.

A letter was also recently distributed to Homeowners reiterating the issue and the risk it posed. It detailed the cost and that due to this total that we would normally be required to undertake the Section 20 process. It explained that we are applying for Dispensation and that Homeowners would shortly receive Directions from the First Tier Tribunal."

6. The Tribunal gave Directions on 1<sup>st</sup> February 2024 [60- 64], explaining that the only issue for the Tribunal is whether, or not, it is reasonable to dispense with the statutory consultation requirements and is not the question of whether any service charge costs are reasonable or payable.

The Directions Order listed the steps to be taken by the parties in preparation for the determination of the dispute, if any, including replies by the lessees. The Directions stated that Tribunal would determine the application on the papers received unless a party objected in writing to the Tribunal within 7 days of the date of receipt of the directions.

- 7. In the event, the Tribunal received objections from 29 of the lessees or their representatives [71-125]. Those objections are considered further below but in brief, and necessarily incomplete, summary it was said that there was no urgency and that the consultation process should now be followed and raised matters such as lessees not using the undercroft and similar queries as to why all lessees ought to pay for the works where only some parked in the undercroft. Reference was also made to the unit having inadequate ability to deal with condensation and to other possible technical solutions.
- 8. A hearing was requested. In addition, the Applicant applied for additional time to respond to those objections. A hearing was fixed and the extension was granted, both by Directions dated 21<sup>st</sup> February 2024 [67-70]. A bundle was directed to be provided for use at the hearing.
- 9. The Applicant provided a bundle containing 164 pages. Whilst the Tribunal makes it clear that it has read the bundle, the Tribunal does not refer to all of the documents in detail in this Decision, it being impractical and unnecessary to do so. Where the Tribunal does not refer to pages or documents in this Decision, it should not be mistakenly assumed that the Tribunal has ignored or left them out of account. Insofar as the Tribunal does refer to specific pages from the bundle, the Tribunal does so by numbers in square brackets [], and with reference to PDF bundle page- numbering. This Decision seeks to focus on the key issues. The omission to therefore refer to or make findings about every statement or document mentioned is not a tacit acknowledgement of the accuracy or truth of statements made or documents received.
- 10. The Tribunal is very much mindful that the hearing itself took place several weeks ago. The Tribunal accepts that the Decision is issued a little beyond the target date in consequence of heavy sitting and other commitments. The Tribunal does appreciate that the parties will have been awaiting the Decision. The Tribunal can only apologise for the degree of delay and any consequent inconvenience.

## <u>The Law</u>

11. Section 20 of the Landlord and Tenant Act 1985 ("the Act") and the related Regulations provide that where the lessor undertakes qualifying works with a cost of more than  $\pounds 250$  per lease the relevant contribution of each lessee (jointly where more than one under any given lease) will be limited to that sum unless the required consultations have been

undertaken or the requirement has been dispensed with by the Tribunal. An application may be made retrospectively.

- 12. Section 20ZA provides that on an application to dispense with any or all of the consultation requirements, the Tribunal may make a determination granting such dispensation "if satisfied that it is reasonable to dispense with the requirements".
- 13. The appropriate approach to be taken by the Tribunal in the exercise of its discretion was considered by the Supreme Court in the case of *Daejan Investment Limited v Benson et al* [2013] UKSC 14.
- 14. The leading judgment of Lord Neuberger explained that a tribunal should focus on the question of whether the lessee will be or had been prejudiced in either paying where that was not appropriate or in paying more than appropriate because the failure of the lessor to comply with the regulations. The requirements were held to give practical effect to those two objectives and were "a means to an end, not an end in themselves".
- 15. The factual burden of demonstrating prejudice falls on the lessee. The lessee must identify what would have been said if able to engage in a consultation process. If the lessee advances a credible case for having been prejudiced, the lessor must rebut it. The Tribunal should be sympathetic to the lessee(s).
- 16. Where the extent, quality and cost of the works were in no way affected by the lessor's failure to comply, Lord Neuberger said as follows:

"I find it hard to see why the dispensation should not be granted (at least in the absence of some very good reason): in such a case the tenants would be in precisely the position that the legislation intended them to be- i.e. as if the requirements had been complied with."

- 17. The "main, indeed normally, the sole question", as described by Lord Neuberger, for the Tribunal to determine is therefore whether, or not, the lessee will be or has been caused relevant prejudice by a failure of the Applicant to undertake the consultation prior to the major works and so whether dispensation in respect of that should be granted.
- 18. The question is one of the reasonableness of dispensing with the process of consultation provided for in the Act, not one of the reasonableness of the charges of works arising or which have arisen.
- 19. If dispensation is granted, that may be on terms. That is to say that dispensation is granted but only if the landlord accepts- and fulfils-appropriate conditions. Specific reference was made to costs incurred by the lessees, including legal advice about the application made.
- 20. There have been subsequent decisions of the higher courts and tribunals which are of assistance in the application of the decision in

*Daejan* but none are relied upon or therefore require specific mention in this Decision.

21. More generally, the Tribunal considers that the case authorities demonstrate that the Tribunal has a very wide discretion to, if it considers it appropriate, impose whatever terms and conditions are required to meet the justice of the particular case- in *Daejan* it was said "on such terms as it thinks fit- provided, of course, that any such terms are appropriate in their nature and their effect".

## <u>The Lease</u>

- 22.A precedent blank lease was provided ("the Lease") [19-50]. The Tribunal understands that the actual leases of the flats are in the same or substantively the same terms. It was not asserted by the lessees to the contrary. In the absence of any indication that the terms of any other of the leases differ in any material manner, the Tribunal has considered the Lease.
- 23. The Applicant has various obligations under the Lease, principally set out in the Sixth Schedule, including maintenance of the structure and common parts. The common parts are defined as effectively everything not included in the demises of the flats leased. The service costs and service charges are defined in the Fourth Schedule. The lessee is required to contribute to the costs and expenses of the Applicant complying with its obligations- the services- pursuant to clause 3 and the Fourth and Fifth Schedules. The Eighth Schedule sets out how many 99ths of the service costs must be paid as service charges in respect of each flat. 40 flats are listed (1-41, excluding any 13).
- 24. The works the subject of this application appear at first blush to fall within the responsibility of the Applicant and may be chargeable as service charges. This is not the time for any more detailed analysis, which may be appropriate in the event of any challenge to the service charges themselves.

## <u>The Hearing</u>

- 25. The hearing was conducted in person at Isle of Wight Combined Court, Newport, Isle of Wight, commencing at 10.30am and concluding at 1.50pm.
- 26. The hearing was attended by Mr Daniel Wilkinson- Horsefield on behalf of the Applicant. He is the Property Operations Director and attended alone. A number of Respondent had been indicated by email to wish to attend and various Respondents attended. However, and with no disrespect intended to any of them, it is sufficient for these purposes to record that the principal advocates for the Respondents were Mr Richard Coleman (for June Howard, Queenie Tomlinson and Sue Wren), Mr Chris King and Mrs Hazel Phipps.

- 27. The first matter addressed was an application by the Respondent. That related to an attendance at the Property by a maintenance engineer, or similar, for the purpose of servicing the relevant unit and a report prepared. This element took rather longer than had been envisaged.
- 28. It was said in an email to the Tribunal from Mrs Phipps that the report had been requested from the Applicant, seeking to identify whether the report may indicate the third UPS (the one the subject of the application) not to be fit for purpose. The Applicant's initial response was said to be to state that it was not obliged to share the report with the lessees, a singularly unimpressive approach to take and one bound to increase suspicion and ill- feeling. That the costs of the servicing is very likely to have been charged to the lessees as service charges only exacerbates that.
- 29. The Respondents subsequently made an application for the Tribunal to consider that refusal, although it appeared to the Tribunal that at least in part what the Respondents wished was for the Applicant to provide the report. The Applicant did not in light of the timing of the Respondent's application have the opportunity to reply to it within these proceedings in advance of the hearing and in any event the Tribunal was unable to deal with the application in advance, hence taking the matter first in the hearing itself.
- 30. Ms Phipps suggested in oral submissions that if the report had not been advantageous to the lessees (and implicitly had rather been helpful to the Applicant's case) it would have been provided, a position with some immediate logic. Mr King added that a number of lessees has spoken to the mechanic who had attended but the Respondents did not want to rely on what he described as "gossip" where the mechanic had said that he would write a report. The Tribunal noted that it was said that the report recommended re-locating the unit but went no further.
- 31. Mr Wilkinson- Horsefield explained that he looked after 540 developments and was responsible for the Property. He had not seen the report or email chain and could not immediately answer anything about the report. However, he stated that he did not object to the Respondents or the Tribunal having sight of the email chain or the report and he was able to locate the report.
- 32. The case was stood down for short while to enable Mr Wilkinson-Horsefield to read the report, which he did. He confirmed after that having no issue with sharing the report. Comments were made by Mr Coleman and Mr King.
- 33. The case was stood down again whilst the report was provided and whilst the Tribunal considered the report. In the event, the contents of the report did not affect any matters in issue.
- 34. For the avoidance of doubt and consequence of the above, the Respondents' case management application was granted insofar as it

related to the provision of the report. The fact of the lack of provision of it and the account to be taken of that was not, the Tribunal considered, really an appropriate matter for a case management application. Nevertheless, the report did not in the event advance the case in general terms. Specific matters are dealt with below.

- 35. The hearing then moved on to the substance of the case. Firstly, Mr Wilkinson- Horsefield summarised the Applicant's case and was then asked questions by each of Mr Coleman, Mr King and Mrs Phipps and by the Tribunal members. After that, Mr Coleman gave evidence, followed by Mr King. Following completion of the evidence, closing submissions were made by each of Mr Coleman, Mr King and Mrs Phipps briefly in turn, followed briefly by Mr Wilkinson- Horsefield.
- 36. The Tribunal does not recount the details of the evidence at this immediate point but rather summarises it below.
- 37. The Tribunal wishes to extend it thanks to all those who participated in the hearing for their assistance with this case.

#### Evidence received and the parties' cases

- 38. Mr Wilkinson- Horsefield explained that the works were undertaken in August 2023, following a purchase order in February 2023. He said that the need for work was identified after routine maintenance and in order to remain compliant, although he said the fans functioned. The changes were internal to the unit. He explained it was thought that the work needed to be expedited and that was the best course at the time. He said that the timescale for the work to be undertaken had reflected logistics. There had been a visit in October 2023 to review the commissioning function amongst other matters. It was accepted by Mr Wilkinson- Horsefield that there had been no consultation about any work forming part of this application.
- 39. Mr Wilkinson- Horsefield clarified in response to a query that he had not been involved in the matter in any substantial way. He believed that there would have been a conversation about whether to seek dispensation or not- although evidence about what "would have" happened rather than what did happen is rarely of assistance.
- 40.In response to questions by Mr Coleman, Mr Wilkinson- Horsefield answered that a UPS system in installed in under 20 of the 534 properties for which he is responsible and that there have been no problems with those to the best of his knowledge. He did not know whether the works carried a warranty.
- 41. In reply to questions by Mr King, Mr Wilkinson- Horsefield said that the original application had been cancelled because of an internal review being undertaken. He said that was separate. Mr King then suggested that there was ample parking externally and that the use of the undercroft for car parking could have been banned, which Mr

Wilkinson- Horsefield said had been considered but whilst there may be ample parking currently, usage may change. The UPS system provides power if not otherwise available.

- 42. Mr King cast doubt on the Applicant only being aware of the issue requiring the major works in February 2023. He suggested that the housing manager knew in 2019 and 2020. He said that someone came to inspect the system and identified corrosion in the board and the need to replace. Mr Wilkinson- Horsefield contended that previous systems had been maintained or replaced. Specifically, there had been replacement in 2018 but not charged to lessees. Mr Wilkinson-Horsefield said that the system had been regularly serviced and that the Applicant responded to a maintenance issue identified in 2022. He was not aware of matters in 2020 and could not comment on them.
- 43.Ms Phipps queried the other 20 properties and the presence of undercroft parking. Mr Wilkinson- Horsefield explained that they have UPS for other reasons, not just to power fans. He also explained that matters depend on the fire strategy and the design for smoke and exhaust fume removal. There was not, he said, any design fault. Ms Phipps asserted there had been water down the wall and ongoing issues with corrosion.
- 44. The Tribunal then asked a number of questions. Mr Wilkinson-Horsefield confirmed that the UPS system had been installed when the Property was built and essentially as present currently save that there had been some improvements, including protections against the elements. He accepted that the third unit was excessively corroded according to the report after only 8 months and despite there being better protection. The Applicant has contributed to the cost by way of meeting the cost of relocation, which was intended to make the unit less exposed.
- 45. Mr Wilkinson- Horsefield said that the Applicant has a relationship with the contractor. He said that it is challenging to obtain other quotes and that at the time it was believed most important to have a contractor and to obtain the right specification, to ensure the fire strategy was intact. Mr Wilkinson- Horsefield added that if there had been other quotes or solutions, there would have been an internal review of those. He did not consider that there was a better different solution. The question of relocation was later.
- 46.It was explained that the six- month gap between the purchase order and the work related to issues with the supply chain, although it was accepted by Mr Wilkinson- Horsefield that communication about the situation could have been better and that there could perhaps have been better supply chain management. Mr Wilkinson- Horsefield was firm that the fans were the main driver and the work would always have been undertaken.

- 47. Turning to the briefer evidence of the Respondents, the first to give oral evidence was Mr Coleman. In response to being asked what he would have done in the event of a consultation, he said that he would have sought to identify what was needed, whether the unit was the right one, whether it was fit for purpose and what guarantees would be offered. He would have wished to be listened to. Mr Coleman expressed the view that a single quote is not ideal.
- 48.Mr Coleman also provided something of a description of the undercroft. That included the fact that there is an opening for vehicles and also a pedestrian entrance and exit from the undercroft to or from a lobby with a fire door. The fans draw fresh air from outside, which goes out via the vehicle entrance. The undercroft is situated under part of the first floor, rather than underground, forming part of the ground floor area of the Property.
- 49.Mr King said that if the consultation had taken place he would have spoken to people involved in design and have investigated alternatives. He suggested that a generator was suitable and that there were several other technical options. Mr King had not contacted any companies, although he gave examples of possible approaches, for example to the Co- op. He also said that he may have contacted the council or an architect about the need for the UPS.
- 50.Mr Wilkinson- Horsefield suggested by a question that supermarkets are different, to which Mr King suggested Gunwharf Quays in Portsmouth as a development with residential properties and, the Tribunal perceives, parking with similarities. Mr King did not expand on that.
- 51. In terms of closing cases, Mr Coleman argued that the lessees pay service charges and expect a good return. They wish to be heard on large items and to know how much they will cost, that the items are fit for purpose and that the contractor is suitable. Mr King focused on the differential in charges to the lessees dependent upon whether dispensation were or were not granted. He also highlighted what he described as the "rather strange" reference to requesting dispensation with urgency where the work had been completed. Mrs Phipps considered that the Applicant had reneged on the contents of a booklet provided when she moved in which said that the lessees would always be consulted on matters of major expenditure.
- 52. Mr Wilkinson- Horsefield briefly replied arguing that the Applicant had taken the approach it believed best at the time, although it had missed an opportunity to communicate with the lessees.
- 53. The Tribunal checked whether any of the other attendees wished to make any comment and Mrs Follet did so, stating that the Respondents were concerned that if dispensation were to be granted on this occasion, there was no guarantee the same may not happen again with other expenditure.

#### **Consideration**

- 54. Whilst the narrative of the application was expressed as if the relevant major works may not yet have been undertaken and the application was asserted in the relevant box to be urgent, it was apparent that the works were undertaken in 2023 and the box had been ticked on the application form identified that the works had been carried out. Mr Wilkinson- Horsefield confirmed that. There was, the Tribunal determines, consequently no urgency by 2024 and no demonstrable reason for the application to be expressed as urgent.
- 55. The application identified the cost of the works as £47, 389.09. The bundle contained a letter with a quote dated February 2023 [51-55]. An 8- to 10- week lead time was referred to. More particularly, the detail of the works at that time to be undertaken was provided with breakdowns of each element and the price for that [53]. The major element is described as a battery system with 2 battery blocks, fire retardant cases and a cladded cabinet. The next largest (but less by a large margin) element is installation and commissioning.
- 56. There was no second quote. It is right to say that is not ideal, most obviously by not enabling any comparison to be made, although it does not follow that the cheapest quote must be accepted or otherwise is necessarily the most appropriate. It is no doubt at least in part for that reason that the consultation process requires the provision of at least 2 quotes and potentially more.
- 57. The specific cost of the works and the amounts to be charged to the lessees were not in themselves, however, directly relevant because the Tribunal was not determining the amount of any service charges payable but rather the question of dispensation. The points of relevance were therefore essentially whether the Respondents could demonstrate that the works would not have been undertaken, including because there would have been other works instead, and/ or that the cost would have been lower. Cost was therefore relevant insofar as it may have been avoided or reduced rather than because of the amount of such costs and consequent service charges in themselves.
- 58. The point advanced by certain of the Respondents that they did not individually use the undercroft for parking or at all was not relevant. Neither are suggestions of cessation of use of the area at all. The last two of those require alterations to the Property or rights granted under leases which would have to be varied if possible. The first would be a matter about service charges and not dispensation but in any event, such charges tend to require contributions to a property as a whole and are not contingent on the specific use made of any given part by a particular lessee.
- 59. The key matter for the purpose of this Decision, and far in advance of any other matter, was that the Tribunal determined that the

Respondents had not demonstrated any prejudice as identified in *Daejan* which had been caused by the lack of the statutory consultation process.

- 60. The Tribunal accepted that the Applicant had decided in early 2022 to undertake work to the UPS to maintain fire protection. There can be little challenge to that sensible aim. Mr Wilkinson- Horsefield was clear in his evidence that the Applicant would always undertaken the work that it did. He was credible and the Tribunal accepted the evidence. There was certainly nothing to suggest in any way that a different system might have been adopted or that change to the Property or parking arrangements would have been made,
- 61. The Respondents challenge would have been required to be directed towards- and have demonstrated merit about- the approach taken by the Applicant to the UPS in the undercroft. The Respondents would have needed to show that work was not required, that lesser work at lesser cost was suitable or that the same work could be undertaken by a contractor for lower cost. They would have needed to in respect of the first two aspects, and also in the face of the clear position expressed by Mr Wilkinson- Horsefield that the Applicant would always have undertaken the work undertaken, that the Applicant would in fact have then not undertaken work or undertaken different work. If the conclusion were reached by the Tribunal that whatever the Respondents had done the outcome would have been the same, the Respondents would effectively be unable to show that lack of consultation changed the end result and hence cause any prejudice in the event.
- 62. The Tribunal carefully considered the evidence given by the Respondents in response to questions by the Tribunal designed to elicit further potentially relevant information.
- 63. There was some evidence from Mr Coleman's answers that there might have been an attempt to contact other contractors but that evidence was rather imprecise and did not go nearly far enough. The evidence from Mr King suggested that he would have focused on more substantial changes and not on the works to the UPS system relevant for these purposes.
- 64. The Respondents did not present any alternative approach from another contractor or any quote from a contractor demonstrating that the work could have been different and/ or the costs could have been lower, such that if there had been a consultation the end result might have been something other than work by the contractor actually instructed and at the cost actually incurred. No company had been contacted.
- 65. There was overall insufficient evidence of actions the Respondents might have undertaken and that it may have produced any alternative works and/ or costs. The Respondents did not demonstrate to the

Tribunal that they would have sought to contact an alternative contractor in respect of the UPS and works if any consultation had taken place, so some way short of there being any alternative work or cost.

- 66. In addition, the Respondent had no evidence that the Applicant might have accepted any alternative. It may be that if there had been a good reason demonstrated for the Applicant to take a different approach, the Tribunal might have accepted that there was a prospect of the Applicant deciding to adopt that, notwithstanding the evidence of Mr Wilkinson- Horsefield. However, there was nothing provided to suggest there would have been anything for the Applicant to even consider.
- 67. The Tribunal is sympathetic to the fact that it is particularly difficult for lessees to obtain quotes outside of a consultation process which might offer a prospect of a contractor obtaining the work. In a situation where the lessees cannot offer the work, and especially where the work has already been undertaken, there is no obvious attraction to a contractor spending time in providing a quote for work which the person seeking the quote can never offer to the contractor.
- 68. However, there was somewhat insufficient evidence received by the Tribunal that the Respondents had contemplated that approach and the evidence given was that no attempts were made to obtain such quotes, so any practical difficulties which may have been faced were not directly engaged. Rather, the Respondents principally raised other issues.
- 69. Taking matters overall, the Tribunal determined that if a consultation had been undertaken, the outcome would on balance have been the same as it was. Hence, there was no effect in the event of the lack of a consultation.
- 70. That is not intended as a ringing endorsement of the Applicant's approach. The Tribunal considers that communication could have been better. The Tribunal considers that where it became apparent that there would be a delay, there was at least ample opportunity to explain better and arguably for the Applicant to at least have considered alternatives. In the event of future major works, even if it is considered there is urgency, the Applicant ought to endeavour to communicate matters better. If it is established that the work is not urgent or cannot be undertaken swiftly, the Applicant ought if at all possible to ensure that the statutory consultation process is followed (or potentially failing that such process as is practicable). The Applicant ought to carefully consider its approach to provision of documents, such as the report- all else aside significant hearing time ought to have been avoided.
- 71. It is also right to say that where lessees do demonstrate that they would have engaged with consultation in such a way as to produce a basis for a landlord proceeding in a different manner but the Tribunal determines that the landlord would nevertheless have maintained its

approach, the lessees may fail to successfully oppose an application for dispensation but create an arguable case about the actual service charges in the event of challenge to those. However, these Respondents did not get that far.

- 72. The Tribunal also understands the concerns of the Respondents that the UPS units have suffered from corrosion and that is affecting the current unit which has been installed for a relatively short time. The Tribunal does, it should be made clear, accept their evidence about that. Whilst the Tribunal understands the reason for the UPS system, it finds that there are issues about its overall suitability and concerns about repeated need for replacement within relatively short timescales.
- 73. Accepting the continued existence of the undercroft and its use for parking, investigation of how else the necessary result could be achieved by use of a more robust system appears eminently sensible and hence the Tribunal expresses the hope that the Applicant will investigate that- and indeed share any outcome with the Respondents. Whilst any decision is properly one for the freeholder, the concerns of the Respondents and the obvious merits of an effective relationship between the Applicant and the lessees are such that engagement with the lessees is patently the sensible approach to take.

## **Decision**

- 74. The Tribunal understands the Respondents concerns, including about future items of work, but finds that the Respondents have not suffered any prejudice in this instance by the failure of the Applicant to follow the full consultation process.
- 75. The Tribunal consequently finds that it is reasonable to dispense with all of the formal consultation requirements in respect of the major works to the building.
- 76. The Tribunal does not impose any conditions on the grant of dispensation, no prejudice having found which could be met by imposing such conditions.
- 77. This Decision is confined to determination of the issue of dispensation from the consultation requirements in respect of the particular major works. The Tribunal has made no determination on whether the costs are payable or reasonable. If a Lessee wishes to challenge the payability or reasonableness of those costs, then a separate application under section 27A of the Landlord and Tenant Act 1985 would have to be made.
- 78. If the Applicant seeks payment of the fees for the application from the Respondents, or indeed the lessees in general, the Applicant will need to write to the Tribunal so stating and copy in the Respondents (or if relevant all of the lessees), who will then have 14 days to send any response to the Applicant and the Tribunal.

## **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 to the First-tier Tribunal at the Regional office which has been dealing with the case by email at rpsouthern@justice.gov.uk
- 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.