FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	**:**	**LON/00AG/LSC/2024/0604**
Property	**:**	**34B Disraeli Road, London SW15 2DS**
Applicant	**:**	**Ms Marina French**
Representative	**:**	**Mr Tom French**
Respondent	**:**	**V&J Investments Ltd**
Representative	**:**	**Leo Estates Management Limited**
Type of application	**:**	**Determination of the liability to pay and the reasonableness of service charges, s27A Landlord and Tenant Act 1985**
Tribunal members	**:**	**Judge Mark Jones** **Mr John Naylor FRICS FIRPM**
Venue	**:**	**10 Alfred Place, London WC1E 7LR**
Date of hearing	**:**	**03 March 2025**
Date of decision	**:**	**06 March 2025**

DECISION

Decisions of the tribunal

(1) The Tribunal determines that of the charges claimed by the Respondent landlord as service charges in respect of proposed major works in respect of 34B Disraeli Road, London SW15 2DS (*"**the Property**"*), for the service charge year 2024, contained in the Respondent's Agent's invoice no. INV-6110 dated 09 August 2024, the sums payable by the Applicant tenant are limited to the sum of £250.00.

(2) The Tribunal determines it to be just and equitable and accordingly orders that the Respondent landlord shall be prevented from recovering its costs of and occasioned by the application:

(a) By way of service charge, in accordance with Section 20C of the Landlord and Tenant Act 1985 (*"**the 1985 Act**"*); and/or

(b) By way of administration charge, in accordance with Paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 (*"**the 2002 Act**"*).

(3) The Tribunal orders the Respondent to reimburse the Applicant's Tribunal fees paid upon making the application, and for the hearing, in the total sum of £330, payable within 28 days of the date of this decision.

The Tribunal's Reasons

The application

1. By application dated 8 September 2024, the Applicant tenant seeks a determination pursuant to s.27A of the 1985 Act as to the amount of service charges payable during the service charge year 2024 in respect of proposed major works demanded by invoice no. INV-6110 dated 09 August 2024 in the sum of £20,124.33.

2. The Applicant also sought orders for the limitation of the Respondent's costs of the proceedings under s.20C of the 1985 Act, to reduce or extinguish her liability to pay an administration charge in respect of litigation costs under Paragraph 5A of Schedule 11 to the 2002 Act, and that the Respondent reimburse the application and hearing fees paid.

The Hearing

3. Pursuant to directions given on 7 October 2024 and augmented by the decision of Judge Vance on 25 February 2025, the application proceeded as a face-to-face hearing on 03 March 2025, with the Applicant Mrs French in attendance via video link.

4. The Applicant was represented in person by her husband Mr Tom French, pursuant to the permission afforded by Judge Vance. We are grateful to Mr and Mrs French for their attendance, and for their helpful skeleton argument, lodged in advance of the hearing.

5. No representative of the Respondent or of its managing agents Leo Estates Management Ltd. (*"**Leo Estates**"*) attended the hearing.

6. In that regard, by written application dated 28 February 2025, Leo Estates requested that the matter proceed as a paper determination on 3 March.

7. We considered that application at the commencement of the hearing, and dismissed it. Our reasons for doing so were that the matter had been directed to proceed as a face-to-face hearing as long ago as 7 October 2024. That manner of hearing had been reiterated in the directions of Judge Vance communicated in writing to the parties on 25 February 2025, which specifically directed the Respondent to attend in person, while giving the Applicant permission to rely upon the hearing bundle provided on 12 February 2025. The Tribunal notes that that was some 16 days prior to the Respondent's application. No decision had been taken on the application, made just one working day prior to the hearing, yet it appeared the deliberate decision had been taken by Leo Estates not to attend. The Respondent's suggestion that it has not had sufficient time to instruct legal representatives to advise or appear at the hearing fails in any particular to explain why no step to instruct advisers appears to have been taken in almost 5 months since directions were given, or why advice could not be obtained in the 16 days between delivery of the bundle and the hearing. The scope of the matters in issue, amplified by the written evidence provided by the parties, rendered the matter most unsuitable for a paper determination. Accordingly, the Tribunal proceeded with the oral hearing.

8. The Respondent's case was set out in writing in a Statement of Case dated 13 December 2024, accompanied by its observations on a Schedule, as directed by the Tribunal, accompanied by a series of documents including what were said to be s.20 consultation notices, surveyor's report from True Associates, tender documentation and service charge accounts. The Tribunal considered itself well able to address the case presented by the Respondent, so that it was not unfairly prejudiced by the apparently deliberate decision on the part of Leo Estates not to attend the hearing, as directed.

9. The Respondent's submissions had been included in a bundle filed by the Applicants, which numbered some 300 pages.

10. Whilst the Tribunal makes it clear that it has read the bundle, the Tribunal does not refer to every one of the documents in detail in this Decision, it being impractical and unnecessary to do so. Where the

Tribunal does not refer to specific documents in this Decision, it should not be mistakenly assumed that the Tribunal has ignored or left them out of account.

11. Mr and Mrs French each addressed us, and in the absence of the Respondent the Tribunal questioned them in relation to the Applicant's case, and the documents in the bundle. We are grateful to each for their assistance.

12. This Decision seeks to focus solely on the key issues. The omission to 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. Not all of the various matters mentioned in the bundles or at the hearing require any finding to be made for the purpose of deciding the relevant issues in this application. The Decision is made on the basis of the evidence and arguments the Applicants presented, as clarified by the Tribunal in the hearing, and is necessarily limited by the matters to which the Tribunal was referred.

Background

13. The building at 34 Disraeli Road which is the subject of this application is a two storey, brick built Victorian semi-detached house with slate roof, converted historically into three flats.

14. The Applicant is the lessee of Flat 34B. The Respondent is the landlord under the lease, and Leo Estates is the manager appointed by the Respondent to manage the building.

15. Neither party requested an inspection, and the Tribunal did not consider that one was necessary, nor would it have been proportionate to the issues in dispute.

The Lease Provisions

16. The bundle contains a copy of the Applicant's lease of Flat 34B, as varied by a deed of variation dated 1 March 2011.

17. The Respondent's obligations by way of provision of services, including maintenance, repair and so on, are defined in the Sixth Schedule of the lease, and the sub-clauses thereunder.

18. Clauses 13 and 14 of the Fourth Schedule contain the tenant's covenants to contribute by way of service charges to the landlord's expenses of complying with its repairing and maintenance covenants.

19. Clause 14(a) of the Fourth Schedule contains a covenant on the part of the tenant to make payments of service charges demanded by the landlord against prospective expenses to be incurred.

The Scope of the Tribunal's Jurisdiction on the Application

20. The Tribunal is asked to determine the reasonableness under s.19 of the 1985 Act, and liability to pay under section 27A of the 1985 Act of service charges for the year 2024.

21. The Tribunal may consider whether individual service charge costs were reasonably incurred, or services provided to a reasonable standard under section 19 of the 1985 Act. It can consider whether the consultation requirements under s.20 of the 1985 Act were complied with. It also has power to determine whether sums are payable under section 27A of the 1985 Act, whether under the terms of the lease or by another law.

The Law

22. The text of the 1985 Act may be viewed at:

https://www.legislation.gov.uk/ukpga/1985/70/contents

23. The relevant provisions of the 1985 Act are set out in Appendix 1 to this decision.

24. Schedule 4 of the Service Charges (Consultation Requirements) (England) Regulations 2003 ("***the Regulations***") may be viewed at:

https://www.legislation.gov.uk/uksi/2003/1987/schedule/4

25. The relevant provisions of the Regulations are set out in Appendix 2 to this decision.

26. Section 196 of the Law of Property Act 1925 is set out in Appendix 3, and may be viewed at :

https://www.legislation.gov.uk/ukpga/Geo5/15-16/20/section/196

The Issues

27. On various dates in 2022 and 2023 the Applicant, both herself and by her agents Hamptons, and then Brinkleys, sought by a series of emails we have seen to engage Leo Estates to investigate and repair the source(s) of water ingress into the Property from outside. This led to a

contractor, McKenziewood being engaged to investigate matters, which apparently sent a decorator in March 2023, whose labours did nothing to stop the leaks, which manifested themselves once more as autumn 2023 arrived.

28. This, at least in part, finally prompted Leo Estates to commission an inspection of various areas of damp within the building, on 10 November 2023, and subsequent report dated 14 November from Mr Peter McGovern of True Associates, Chartered Surveyors.

29. The report records multiple areas of moisture ingress within the building, including through the skylight in the bedroom to the rear right-hand corner in the ground floor flat 34a, putatively attributed to deterioration of the frame. Damp staining was detected within a cupboard adjoining the right-hand alleyway alongside the building, consequent upon water splashing off the roof of an adjoining bicycle port. Water penetration attributed to the kitchen skylight in the same flat was attributed to rotting of the skylight.

30. Mr McGovern noted deterioration to the left-hand parapet wall of the roof, with an old root growth embedded in the mortar bed below the top course of brickwork.

31. Turning to the Applicant's demise, the first floor flat 34b, Mr McGovern identified water apparently ingressing along the junction of the ceiling and external wall to the face and side of the chimney stack. He suggested that the overhang of the slates to the verge above was inadequate to prevent water tracking back and wetting the wall beneath, while finding himself unable to ascertain whether there was a sufficient tiling fillet installed along the verge.

32. Mr McGovern noted moisture ingress in the communal hallway, observing multiple areas of flaking and blowing external paint, suggesting a non-breathable paint had been applied previously, leaving water on or in the brickwork beneath incapable of evaporation, damaging the brickwork and causing moisture penetration. He also noted further moisture ingress potentially running down behind the rear panel of the gas meter box.

33. Mr McGovern's report contained a series of recommendations for remedial works to address the various issues of dampness he had identified. In Flat 34a he recommended hacking back the affected walls to bare brick, leaving then to dry out and, once no further leaks were confirmed, rendering and skimming with plaster prior to redecoration. Timber attached to the external wall should be removed, and holes filled with sand and cement, and the bike port reconstructed to that it did not immediately abut the wall.

34. As to the dampness affecting flat 34b, Mr McGovern advised that a strip of code 4 lead should be installed beneath the tiles at the verge of the roof and secured in place with sand and cement or an appropriate external lead sealant, to be dressed down the face of the wall for at least 75mm and with a welt formed at the bottom to provide a drip detail to prevent water from further tracking back along the underside and wetting the wall. These works would require the erection of scaffolding, at a probable expense greater than the works themselves.

35. Having received the True Associates report, it is the case for the Respondent that Leo Estates issued a Notice of Intention under the provisions of s.20 of the 1985 Act and Schedule 4 of the Service Charges (Consultation Requirements) (England) Regulations 2003 (*"**the Regulations**"*), under cover of a letter dated 18 December 2023, advising the leaseholders of the proposal to undertake works to damp and redecoration that would result in a charge to each leaseholder of more than £250. The copy notice the Tribunal has seen was said to have been accompanied by the True Associates Report, and invited observations in writing by 22 January 2024, and further invited the leaseholders to nominate any preferred contractor for the proposed works.

36. The Applicant denies receiving that notice, or the covering letter. We shall address that issue below.

37. On her case, the first the Applicant knew of the proposed major works was on 10 June 2024 when she received by email a Stage 2 Notice to accompany a series of statements of estimates. This, she states, was confusing to her as it did not seem specifically to relate to the leaks she had been complaining of, while containing reference to a consultation period of which she had no knowledge, and to a series of proposed works including general maintenance and redecorating that was difficult to understand or interpret.

38. The Applicant then received by email a Stage 3 Notice on 9 August 2024, advising that A Sllamniku & Sons Ltd had been selected to undertake the major works in issue, along with an invoice for £20,124.33 in respect of her asserted contribution to these works. She complains, in part, that this was the same contractor used by the Respondent for works a decade earlier which she feels may have been defective, highlighting apparent cutting and pasting between the documents produced in 2014 and 2024, and questions the need for major works apparently going far beyond the scope of the recommendations in the True Associates report. We would observe that the ability of leaseholders to question such issues, and the provision of answers to such questions, is a substantial part of the rationale behind the statutory consultation process.

39. The Tribunal notes that the Scope of Works prepared by True Associates in May 2024 and tendered by the various entities whose figures were set

out in the statements of estimates does appear to go far beyond the issues identified in the November 2023 report, including for example extensive works of redecoration, replacement of carpets and fire safety works. We however make no determination about that aspect of the matter, in consequence of the Tribunal's findings set out below.

The Notice of Intention

40. By paragraph 1(1)(a) of Part 2 of Schedule 4 of the Regulations, for a valid consultation process to have been instituted the Respondent was required to give *"notice in writing"* to the Applicant of its intention to carry out the relevant works. As stated above, the Applicant denies that it did so.

41. In its written response dated 13 December 2024, the Respondent states at §1:

"Notice of Intention served on 18/12/2023 by Leo Estates (consultation deadline to respond was 22/01/24)".

42. The covering letter under which the preliminary notice was sent was addressed thus:

"Leaseholder(s)
34 Disraeli Road
Putney
London
SW15 2DS"

43. There is no contractual provision in the lease governing the service of notices.

44. In the absence of any contractual provision to the contrary, the Tribunal has considered the service of notices provisions contained in s.196 of the Law of Property Act 1925, reproduced at Appendix 3, which in summary provides that written notice may be served on a lessee by posting by registered post to the last known place of abode or business of the lessee, or affixed to or left on the property comprised in the lease.

45. The Applicant showed us email correspondence by which she advised Leo Estates in 2022 that the Property was occupied by residential tenants, that she did not live there, and on 28 November 2022 that post said to have been delivered to the Property had not been received by her, and requesting that correspondence in future be emailed. It appears from the evidence contained in the bundle that correspondence was then exchanged by email as a matter of course, and sent by Leo Estates to the

Applicant herself, and latterly to Ms Kate Sheard of Brinkleys, new agents retained by the Applicant in September 2023.

46. The Applicant explained, candidly, that she did not believe that she had advised Leo Estates or the Respondent of her current residential address, nor had she updated her contact details in the Proprietorship Register for the Property.

47. Mrs French told the Tribunal, and we accept, that she did not personally receive the Notice of Intention on or after 18 December 2023, nor did she receive the covering letter, and nor did she receive the True Associates report, until those documents were provided to her by Leo Estates in compliance with §2 of the Tribunal's directions order, on 18 October 2024. She explained, and we again accept, that she had then asked Ms Sheard of Brinkleys whether she had received those documents, and had been told she had not, either. This was long after the second and third stage Notices had been served.

48. There is simply no evidence before the Tribunal that those documents were sent by email to the Applicant or her agent at any point prior to 18 October 2024. There is also no explanation for that, against the email correspondence that was clearly exchanged, and against the delivery by email of the second- and third-stage notices in 2024.

49. As to the evidence concerning delivery of physical documents, the Tribunal notes that the covering letter and Notice of Intention are not addressed to the Applicant by name. By s.196(2) of the 1925 Act, the designation of her as 'leaseholder' *might* yet suffice for valid service, subject to the caveat that she is not further identified as the *leaseholder of Flat 34b*, as opposed to a generic letter to *"leaseholder(s)"*.

50. The Tribunal however observes that the covering letter and Notice of Intention are not addressed to the Property. The address *Leaseholder(s), 34 Disraeli Road"* would be likely, at best, to be placed through the main door of the building. It is far from clear that the documents, if sent at all, would have come to the attention of the Applicant, as leaseholder of Flat 34b. It is also far from clear whether one or more copies of the Initial Notice and accompanying documents were sent or delivered to one or more of the leaseholders. The Respondent's evidence on the point is most unsatisfactory.

51. Such evidence as there is for the Respondent goes no way to addressing this evidential difficulty, providing no particulars whatsoever of how the Notice of Intention was said to have been served. There is no proof of postage, recorded delivery tracking, or evidence of hand delivery. There is also no explanation of why the Notice and accompanying documents were not sent by email, either to Mrs French, the Applicant, or Ms Sheard of Brinkleys, her agent, with whom Leo Estates had clearly corresponded prior to and after the date of the purported Notice.

52. It is therefore far from clear to the Tribunal that the Notice of Intention was sent to the Applicant, or to the Property, or in any fashion where it would be more likely than not that she would have received it.

53. We therefore conclude on a balance of probabilities that the Respondent failed properly or at all to '*give notice*' to the Applicant in accordance with paragraph 1(1)(a) of Part 2 of Schedule 4 of the Regulations.

54. If consultation in accordance with the regulations is required but is not carried out, then (subject to the FTT's power to consider an application to dispense with the consultation requirements) the landlord is barred from recovering from the tenants any contributions towards sums payable for qualifying works above the amount of the relevant financial threshold of £250 (1985 Act, ss. 20(1), (6) and (7)). We have no application for dispensation before us and, while making no determination in relation to the issue, we note the significant differences between the Notice of Intention, relying upon the original report in November 2023 and the Scope of Works prepared for the tender process, identified in §39 above.

55. Accordingly, under the current regulations the Applicant cannot be required in such cases, to pay more than £250 towards the cost of qualifying works: ***Paddington Basin Developments Ltd and others v West Quay Estate Management Company Ltd*** **[2010] 1 WLR 2735**.

The Tribunal's Decision

56. The Tribunal determines that the charges claimed by the Respondent from the Applicant as service charges in respect of anticipated major works for the service charge year 2014 are payable in the limited sum of £250.00.

S.20C / para. 5A Applications

57. In the circumstances, the Tribunal sees no basis on which to refuse the Applicant the requested orders under section 20C of the Landlord and Tenant Act 1985 and paragraph 5A of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 so that the Respondent may not recover from her any legal costs incurred by it in relation to the application.

Reimbursement of Tribunal Fees

58. The Applicant has also applied under paragraph 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 for an order that the Respondent reimburse their application fee of £110.00 and the hearing fee of £220.00.

59. As the Applicant's claim has been successful in its entirety, we are satisfied that it is appropriate in the circumstances to order the Respondent to reimburse these fees.

Name: Judge Mark Jones **Date:** 06 March 2025

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

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.

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.

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.

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.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).

Appendix 1

(A) Section 18 of the 1985 Act defines *"service charges"* and *"relevant costs"*:

(1) In the following provisions of this Act "service charge" means an amount payable by a tenant of a dwelling as part of or in addition to the rent—

(a) which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management, and

(b) the whole or part of which varies or may vary according to the relevant costs.

(2) The relevant costs are the costs or estimated costs incurred or to be incurred by or on behalf of the landlord, or a superior landlord, in connection with the matters for which the service charge is payable.

(3) For this purpose—

(a) "costs" includes overheads, and

(b) costs are relevant costs in relation to a service charge whether they are incurred, or to be incurred, in the period for which the service charge is payable or in an earlier or later period.

(B) S.19 of the 1985 Act deals with limitation of service charges:

(1) Relevant costs shall be taken into account in determining the amount of a service charge payable for a period—

(a) only to the extent that they are reasonably incurred, and

(b) where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard; and the amount payable shall be limited accordingly.

(2) Where a service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable, and after the relevant costs have been incurred any necessary

adjustment shall be made by repayment, reduction or subsequent charges or otherwise.

(C) S.20 of the 1985 Act contains provisions as to the landlord's responsibility to consult tenants in respect of qualifying works.

20. Limitation of service charges: consultation requirements

(1) Where this section applies to any qualifying works or qualifying long term agreement, the relevant contributions of tenants are limited in accordance with subsection (6) or (7) (or both) unless the consultation requirements have been either—

(a) complied with in relation to the works or agreement, or

(b) except in the case of works to which section 20D applies, dispensed with in relation to the works or agreement by (or on appeal from) the appropriate tribunal.

(2) In this section "relevant contribution", in relation to a tenant and any works or agreement, is the amount which he may be required under the terms of his lease to contribute (by the payment of service charges) to relevant costs incurred on carrying out the works or under the agreement.

(3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.

(4) The Secretary of State may by regulations provide that this section applies to a qualifying long-term agreement—

(a) if relevant costs incurred under the agreement exceed an appropriate amount, or

(b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.

(5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount—

(a) an amount prescribed by, or determined in accordance with, the regulations, and

(b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.

(6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.

(7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.

(D) S.27A of the 1985 Act addresses questions of liability to pay service charges:

(1) An application may be made to the appropriate tribunal for a determination whether a service charge is payable and, if it is, as to—

(a) the person by whom it is payable,

(b) the person to whom it is payable,

(c) the amount, which is payable,

(d) the date at or by which it is payable, and

(e) the manner in which it is payable.

(2) Subsection (1) applies whether or not any payment has been made.

Appendix 2

SCHEDULE 4 Regulation 7(4)

CONSULTATION REQUIREMENTS FOR QUALIFYING WORKS
OTHER THAN WORKS UNDER QUALIFYING LONG TERM
OR AGREEMENTS TO WHICH REGULATION 7(3) APPLIES

PART 2

CONSULTATION REQUIREMENTS FOR QUALIFYING
WORKS FOR WHICH PUBLIC NOTICE IS NOT REQUIRED

Notice of intention

1.—(1) The landlord shall give notice in writing of his intention to carry out qualifying works—
(a) to each tenant; and
(b) where a recognised tenants' association represents some or all of the tenants, to the association.
(2) The notice shall—
(a) describe, in general terms, the works proposed to be carried out or specify the place and hours at which a description of the proposed works may be inspected;
(b) state the landlord's reasons for considering it necessary to carry out the proposed works;
(c) invite the making, in writing, of observations in relation to the proposed works; and
(d) specify—
(i) the address to which such observations may be sent;
(ii) that they must be delivered within the relevant period; and
(iii) the date on which the relevant period ends.
(3) The notice shall also invite each tenant and the association (if any) to propose, within the relevant period, the name of a person from whom the landlord should try to obtain an estimate for the carrying out of the proposed works.

Inspection of description of proposed works

2.—(1) Where a notice under paragraph 1 specifies a place and hours for inspection—
(a) the place and hours so specified must be reasonable; and
(b) a description of the proposed works must be available for inspection, free of charge, at that place and during those hours.
(2) If facilities to enable copies to be taken are not made available at the times at which the description may be inspected, the landlord shall provide to any tenant, on request and free of charge, a copy of the description.

Duty to have regard to observations in relation to proposed works

3. Where, within the relevant period, observations are made, in relation to the proposed works by any tenant or recognised tenants' association, the landlord shall have regard to those observations.

Estimates and response to observations

4.—(1) Where, within the relevant period, a nomination is made by a recognised tenants' association (whether or not a nomination is made by any tenant), the landlord shall try to obtain an estimate from the nominated person.
(2) Where, within the relevant period, a nomination is made by only one of the tenants (whether or not a nomination is made by a recognised tenants' association), the landlord shall try to obtain an estimate from the nominated person.
(3) Where, within the relevant period, a single nomination is made by more than one tenant (whether or not a nomination is made by a recognised tenants' association), the landlord shall try to obtain an estimate—
(a) from the person who received the most nominations; or
(b) if there is no such person, but two (or more) persons received the same number of nominations, being a number in excess of the nominations received by any other person, from one of those two (or more) persons; or
(c) in any other case, from any nominated person.
(4) Where, within the relevant period, more than one nomination is made by any tenant and more than one nomination is made by a recognised tenants' association, the landlord shall try to obtain an estimate—
(a) from at least one person nominated by a tenant; and
(b) from at least one person nominated by the association, other than a person from whom an estimate is sought as mentioned in paragraph (a).
(5) The landlord shall, in accordance with this sub-paragraph and sub-paragraphs (6) to (9)—
(a) (b) obtain estimates for the carrying out of the proposed works;
supply, free of charge, a statement ("the paragraph (b) statement") setting out—
(i) as regards at least two of the estimates, the amount specified in the estimate as the

estimated cost of the proposed works; and

(ii) where the landlord has received observations to which (in accordance with paragraph 3) he is required to have regard, a summary of the observations and his response to them; and

(c) make all of the estimates available for inspection.

(6) At least one of the estimates must be that of a person wholly unconnected with the landlord.

(7) For the purpose of paragraph (6), it shall be assumed that there is a connection between a person and the landlord—

(a) where the landlord is a company, if the person is, or is to be, a director or manager of the company or is a close relative of any such director or manager;

(b) where the landlord is a company, and the person is a partner in a partnership, if any partner in that partnership is, or is to be, a director or manager of the company or is a close relative of any such director or manager;

(c) where both the landlord and the person are companies, if any director or manager of one company is, or is to be, a director or manager of the other company;

(d) where the person is a company, if the landlord is a director or manager of the company or is a close relative of any such director or manager; or

(e) where the person is a company and the landlord is a partner in a partnership, if any partner in that partnership is a director or manager of the company or is a close relative of any such director or manager.

(8) Where the landlord has obtained an estimate from a nominated person, that estimate must be one of those to which the paragraph (b) statement relates.

(9) The paragraph (b) statement shall be supplied to, and the estimates made available for inspection by—

(a) each tenant; and

(b) the secretary of the recognised tenants' association (if any).

(10) The landlord shall, by notice in writing to each tenant and the association (if any)—

(a) specify the place and hours at which the estimates may be inspected;

(b) invite the making, in writing, of observations in relation to those estimates;

(c) specify—

(i) the address to which such observations may be sent;

(ii) that they must be delivered within the relevant period; and

(iii) the date on which the relevant period ends.

(11) Paragraph 2 shall apply to estimates made available for inspection under this paragraph as it applies to a description of proposed works made available for inspection under that paragraph.

Duty to have regard to observations in relation to estimates

5. Where, within the relevant period, observations are made in relation to the estimates by a recognised tenants' association or, as the case may be, any tenant, the landlord shall have regard to those observations.

Duty on entering into contract

6.—(1) Subject to sub-paragraph (2), where the landlord enters into a contract for the carrying out of qualifying works, he shall, within 21 days of entering into the contract, by notice in writing to each tenant and the recognised tenants' association (if any)—

(a) state his reasons for awarding the contract or specify the place and hours at which a statement of those reasons may be inspected; and

(b) there he received observations to which (in accordance with paragraph 5) he was required to have regard, summarise the observations and set out his response to them.

(2) The requirements of sub-paragraph (1) do not apply where the person with whom the contract is made is a nominated person or submitted the lowest estimate.

(3) Paragraph 2 shall apply to a statement made available for inspection under this paragraph as it applies to a description of proposed works made available for inspection under that paragraph.

Appendix 3

Notices
196 Regulations respecting notices.
(1) Any notice required or authorised to be served or given by this Act shall be in writing.

(2) Any notice required or authorised by this Act to be served on a lessee or mortgagor shall be sufficient, although only addressed to the lessee or mortgagor by that designation, without his name, or generally to the persons interested, without any name, and notwithstanding that any person to be affected by the notice is absent, under disability, unborn, or unascertained.

(3) Any notice required or authorised by this Act to be served shall be sufficiently served if it is left at the last-known place of abode or business in the United Kingdom of the lessee, lessor, mortgagee, mortgagor, or other person to be served, or, in case of a notice required or authorised to be served on a lessee or mortgagor, is affixed or left for him on the land or any house or building comprised in the lease or mortgage, or, in case of a mining lease, is left for the lessee at the office or counting-house of the mine.

(4) Any notice required or authorised by this Act to be served shall also be sufficiently served, if it is sent by post in a registered letter addressed to the lessee, lessor, mortgagee, mortgagor, or other person to be served, by name, at the aforesaid place of abode or business, office, or counting-house, and if that letter is not returned **[**F1by the postal operator (within the meaning of **[**F2Part 3 of the Postal Services Act 2011**]**) concerned**]** undelivered; and that service shall be deemed to be made at the time at which the registered letter would in the ordinary course be delivered.

(5) The provisions of this section shall extend to notices required to be served by any instrument affecting property executed or coming into operation after the commencement of this Act unless a contrary intention appears.