FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case reference	:	**LON/00AH/LSC/2024/0054**
Property	:	**Flat B 20-26 Elmwood Road, CR0 2SG**
Applicant	:	**Ms Zelda Reynolds**
Representative	:	**In Person**
Respondent	:	**Southern Land Securities Ltd**
Representative	:	**Mr Sam White of Counsel**
Type of application	:	**For the determination of the liability to pay service charges under section 27A of the Landlord and Tenant Act 1985**
Tribunal members	:	**Mr O Dowty MRICS** **Ms A Flynn MRICS**
Venue	:	**10 Alfred Place, London WC1E 7LR**
Date of decision	:	**28 March 2025**

DECISION

Decisions of the tribunal

(1) The reasonable cost of the works themselves is £48,000, being £40,000 + VAT - not the £76,010 + VAT claimed by the respondent.

(2) The reasonable fee for all of the administration, management and supervision of the project (excluding the principle designer) is £4,800, being £4,000 + VAT - 10% of the reasonable cost of those works, not the 15% combined total claimed by the respondent.

(3) The applicant is liable to pay their proportion of those costs. The respondent is to recalculate the applicant's service charge accordingly, the proportion payable not being in dispute.

(4) For the avoidance of doubt, we make no finding regarding the costs of the principle designer as we lack jurisdiction to do so following that issue being conceded by the applicant.

(5) The tribunal makes orders under section 20C of the Landlord and Tenant Act 1985, and under paragraph 5a of Schedule 11 to the Commonhold and Leasehold Reform Act 2002 so that none of the landlord's costs of the tribunal proceedings may be passed to the applicant through any service charge nor as an administration charge.

The application

1. The Applicant seeks a determination pursuant to s.27A of the Landlord and Tenant Act 1985 ("the 1985 Act") as to the amount of service charges payable by the Applicant in respect of a scheme of major works carried out in the 2022-23 service charge year.

2. In particular, the applicant challenges the payability and reasonability of the costs of the works themselves and the supervision and management fees.

3. The applicant had initially challenged the cost of the principle designer for those works as well, however this was conceded as an issue by the applicant prior to the hearing.

The hearing

4. We held a face to face hearing in this matter on 13 January 2025. The Applicant appeared in person at the hearing and the Respondent was represented by Mr Sam White of counsel. Due to the late running of that hearing, it was necessary for us as a Tribunal panel to reconvene (without the parties) on 4 February 2025 to consider our decision.

5. It is worth noting first and foremost in this matter, as a general point, that the actual evidence we were provided by the parties (both in the main 217 page bundle and the applicant's 'supplementary' 113 page bundle) was limited. The applicant herself had provided a number of documents and photographs, alongside a statement of case which consisted both of legal submissions and witness evidence (which the respondent, fairly and correctly, accepted could be taken as a witness statement for practical purposes). In addition, the applicant had provided 3 witness statements from other residents, however none of them had attended the hearing. There was much discussion of this at the hearing, the likely weight we might apply and the fairness of (and differentiation between) the three 'witnesses' other than the applicant herself having not attended - particularly as one was elderly and in hospital.

6. The respondent submitted that we should simply disregard the applicant's witness statements (other than her own) as the witnesses had not attended. The applicant said that she did not understand why the non-attendance seemed to matter so much. We decided that we would consider those statements and apply what weight to them we thought fit given they had not made themselves available at the hearing. In truth, though, this is largely irrelevant to our decision as their evidence was not very helpful in any event, and didn't advance the applicant's case beyond what she offered in evidence herself.

7. The respondent's evidence consisted of the comments they had made in the Scott Schedule, their statement of case and the other documents provided by them. No witness statements were provided at all. That being said, the respondent had provided a statement of case which contained a witness declaration – but it was signed in the name of the respondent company not by an actual witness, and is therefore not a witness statement (and nor was it said to be by the respondent when the topic of witness statements was raised at the start of the hearing). It is notable, however, that even that statement of case takes no issue with a large part of the applicant's evidence, particularly as regards the quality of the works carried out.

8. It is also worth noting that, at the hearing, 3 people appeared behind counsel for the respondent – we understand 2 of them being members of the respondent's staff and 1 being their surveyor. They were not there, we were told, to appear as witnesses – but might have assisted us by answering any questions we had. We made clear that we would not ask them any questions, and they decided to leave rather than observe the rest of the hearing.

9. Mr White, who appeared for the respondent, spoke to us about this evidential position. We were, he submitted, presented with limited evidence on which to make our decision. However, as we said at the time, we did have evidence. We have the evidence – both oral and written - of

the applicant herself. We were invited by Mr White to draw inferences from the failure of the applicant's witnesses to attend the hearing, which to some extent we have, but the fact is that there is an inescapable inference to be drawn from the fact that the respondent has not put forward any witness whatsoever to counter what has been said by the applicant.

The background

10. The property which is the subject of this application is a flat in a purpose built, period building. There are two front entrances to that building, each serving four flats (20-22 Elmwood Road). There is a further, similar, building (24-26) on the other side of a shared private roadway which provides access to garages to the rear. Both of those buildings form the larger unit of 20-26 Elmwood Road.

11. Photographs of the building were provided in the hearing bundle. Neither party requested an inspection and the tribunal did not consider that one was necessary.

12. The applicant holds a long lease of the property which requires the landlord to provide services and the tenant to contribute towards their costs by way of a variable service charge. The specific provisions of the lease will be referred to below, where appropriate.

The issues

13. What we were to determine, in this application, was the payability and reasonability of the service charges demanded of the applicant in relation to the major works carried out in the 2022-23 service charge year. The points advanced by the applicant of relevance to this can be summarised as follows

    (i) The respondent did not consult the leaseholders (including the applicant) properly, and therefore the amount payable was capped at £250 per leaseholder.

    (ii) The respondent had 'outsourced' the management of the contract to a surveyor, but they shouldn't have done so. The surveyor had charged a 10% fee on the total cost of the works (something the applicant averred was a conflict of interest), and the respondent had charged a further 5% for their own management.

(iii) The works had included improvements which were not payable under the terms of the lease

(iv) The works were of a poor quality, and therefore the cost was not reasonable.

(v) There was no need for the use of scaffolding to carry out the works. In addition, the scaffolding was, in any case, left up for a lengthy period prior to the works beginning.

14. Having heard evidence and submissions from the parties and considered all the documents provided, the tribunal has made determinations on the various issues as follows.

Consultation

15. The applicant did not dispute that the landlord had served the required 'section 20' notices correctly, and had followed the statutory consultation process on the face of it. Instead, the objection made by the applicant was more nuanced, and twofold. First, the respondent had treated the consultation as a box-ticking exercise, and had not engaged with the leaseholders properly regarding the works. In the past, the leaseholders had had detailed consultations and meetings regarding works and they should have had them again. Second, the scope of works the respondent's surveyor had produced was generic and poor quality – and was not sufficiently detailed to enable the leaseholders to obtain quotes to provide as part of the statutory consultation.

16. Mr White on behalf of the respondent submitted that the statutory consultation requirements were indeed a box-ticking exercise, and the respondent had followed them. As regards the scope of works, it was not of a poor quality. It may have appeared generic, but scopes of work often do – and that doesn't mean the scope wasn't detailed.

17. This is a topic the applicant feels very strongly about, and she wants there to be detailed discussion between the landlord and the leaseholders about what is to be done and when at the property. This is understandable given this is, ultimately, where she lives – and, as she observed, financial difficulties in paying service charge bills can arise. The problem is, there isn't a right in law to mandate that wide-ranging discussions, consultations and meetings of the sort envisaged by the applicant between a landlord and leaseholders take place. In simple terms, there is a lease on the property which provides that the landlord is to carry out certain works and the tenant is to pay a service charge for those works. That is a contractual position. There was no suggestion from the applicant that the terms of the lease included a particular provision concerning discussions or consultation. Accordingly, the only

consultation the respondent is required to carry out is that set out in the statutory consultation process.

18. That statutory process is simple (and provided as an annex to this decision). Essentially, a landlord is to tell their tenants what works are intended to be carried out, and the costs of those works. Tenants may then make observations to the landlord about the works, and nominate alternative contractors who might offer better value for money. Whilst the landlord is obliged to take various steps to follow up on nominated contractors, as regards observations made by tenants about the works themselves the landlord need only "have regard" to them, and even then only if they are made within a certain timeframe.

19. It is therefore not quite the box-ticking exercise both parties described it as at the hearing, as the landlord does need to consider the observations provided in response to such a consultation, but, other than that, it largely is. The only question is whether that statutory procedure has been carried out correctly. We asked the applicant repeatedly, so as to give her ample opportunity to comment, whether she could identify to us what part of the statutory requirements she was saying the landlord had not complied with and she did not do so. Instead, it was quite clear that she thought we were missing the point, and she repeatedly sought to reiterate her submissions about there being a requirement for consultation in broader terms – which there is not.

20. That being said, whilst we have found that there is no need for general consultation and discussion with tenants in strictly legal terms, it is often a good practice of management to engage with service charge payers, and discuss things with them. This is relevant to a topic we will return to in paragraphs 27-30 of this decision.

21. The applicant also raised a point concerning the scope of works being generic, vague and poor quality – which meant it was not possible to obtain alternative quotes (and therefore frustrated their participation in the consultation). We are an expert Tribunal and have seen that scope for ourselves, and we find as a fact that it is a standard scope of works, with the level of detail one would expect it to have, and that nothing about its presentation appears to be poor quality (the applicant even having gone so far as to say that the postcode was wrong by a single letter at the end, and that this was symptomatic of its poor quality). The applicant said that it looked like someone had filled out a template when preparing it – but of course they had. That is how work is conducted in the modern era, and it is actually an encouraged practice amongst surveyors to ensure compliance with standards. The question is not whether a template was used, but whether it was used adequately, and the details contained within were sufficient. We note the applicant's submission that it wasn't sufficient and the email from a builder she provided further to that submission, but in truth it is difficult for us to understand what issue that builder took with the scope of works.

22. Accordingly, we find the applicant's argument concerning consultation is without merit.

The supervision and management of the works

23. The applicant said that it was inappropriate for the respondent to appoint a (qualified, chartered) surveyor to supervise the project – and instead they should have done it themselves. We will not dwell on this as a submission as it is simply wrong. The respondent can choose to appoint whoever they like to supervise the works they carry out (so long as the costs are reasonable and the supervision satisfactory), and in fact it is to the respondent's credit that they sought out and engaged the services of a properly qualified chartered surveyor in connection with the works. The applicant had said that the respondent had a surveyor on their staff, but - whilst that isn't relevant in any event – there are many different types of surveyor with many different specialisms, and that surveyor had in any case decided he wasn't suitably experienced to manage such a large project himself. He was not only entitled to form that view as a professional, but should be commended for it.

24. We therefore find there is no issue with the works being supervised by an external surveyor, but the question remains concerning fees. First, that surveyor charged a fee of 10% of the cost of the works which the applicant, without further evidence, said was a conflict of interest. Second, the respondent had themselves charged an additional 5% of the costs for their own management activities of the works; and, whilst now conceded by the applicant as an issue of itself, a principal designer had also been paid.

25. As regards the surveyor's fee, the applicant said that charging a percentage of the costs of the works was a conflict of interest. The respondent submitted that their surveyor was a chartered surveyor, and that he was – essentially – subject to professional regulation and ethics.

26. We can sympathise with what the applicant says here, as to the inexperienced eye this probably does appear odd, but the charging of a percentage of the costs of the works is a very widely used practice and is not out of the ordinary at all. We don't think charging such a fee is a conflict of interest, there was no strong argument put forward regarding it being one other than an invitation for us to draw an obvious inference – and if it were one it would be one being carried out on a practically market-wide scale. In addition, a fee of 10% to produce the scope of works and supervise a project such as this appears reasonable.

27. That being said, the point the applicant dwelt least on in this matter is actually the one of most relevance. If the respondent had instructed a principle designer to design the works, and was paying 10% to a surveyor to manage the project – why were they also charging 5% to manage it themselves? The applicant submitted that whenever the leaseholders

had had questions they had been referred to the surveyor who in turn - the applicant offered in uncontested evidence – had often referred them back to the respondent.

28. The respondent submitted that there was paperwork to be done, and that the leaseholders had received responses to queries – it's just that they might not have liked those responses.

29. We agree with the applicant. Between the surveyor and the respondent themselves, the leaseholders were being charged 15% of the costs of the work purely for administration and supervision of them. That is a high percentage, and one that would only be appropriate if the building were unusually complicated or the service provided was particularly high – but neither of those things appears to be true here. We have noted above at paragraph 20 that, whilst not legally required, there was not wide discussion of these works with the leaseholders before they were carried out, and we will note below that the works appear to have been carried out somewhat poorly. We are conscious to avoid double-counting in respect of that, given our decisions below in relation to the allowable costs of the works themselves and its resultant impact on the fees charged, but it does not evidence that the management of the project was to a high standard.

30. It was the respondent's own position that they had instructed a surveyor to administer the project, who had charged 10%, and it is difficult to see why the respondent required any fee in relation to the project above and beyond their standard management fee given the level of service actually provided to the applicants. Accordingly, we allow a total fee of 10% for both the surveyor and the respondent rather than the total of 15% claimed.

31. We note for completeness that the applicant provided a letter from a Mr Samuel Pinto (who holds many qualifications including as a chartered building engineer, chartered construction manager and an associate member of the RICS) of Redstone Surveyors. The applicant apparently sought to rely on this as some form of expert evidence regarding the quality of the respondent's scope of works, but she had not sought permission to do so (as was required by the directions in this matter) and it is clearly not intended by its author to be an expert witness report. We are, as a Tribunal, flexible in our procedures and the evidence we consider – but given the intention of the inclusion of this letter was to form part of an accusation that a qualified professional was negligent in the carrying out of their work, we would expect any such expert evidence to be in the form of a formal expert witness statement, and the expert themselves to attend the hearing to answer questions.

32. That is not to say that we did not have regard the contents of the letter from Mr Pinto at all, which we did. In truth, though, much of those contents expressed uncertainty about the terms of the contract, and

areas that might be clarified, rather than expressly saying the respondent's scope of works had been negligently put together. Notably, though, Mr Pinto's letter does not suggest that that scope of works was vague, as the applicant submitted.

Works of improvement

33. This is a straightforward heading, but a somewhat confusing inclusion. The applicant averred that works of improvement had been carried out by the landlord as part of these works, and that these were not chargeable under the lease. The respondent's position was that that was not the case.

34. When we asked the applicant to explain to us what the improvements she complained of were, she spoke to a buttress having been constructed at the building. However, the only mention of a buttress on the scope of works (at page 24 of the applicant's supplementary bundle) is for repairs to one in the form of re-rendering – not the construction of one. We agree with the applicant in general terms that the construction of such a buttress would almost certainly be an improvement (unless there was a specific and evidenced reason this was in fact part of affecting a repair to the building), but no charge appears to have been levied as part of these works for such construction and we must note that no mention of that buttress was made in advance of the hearing by the applicant.

The Quality of the Works

35. This was clearly raised as an issue by the respondent, who provided oral and written evidence regarding it. She talked us through the photographs in the bundle she had provided to assist, and despite the slightly haphazard presentation of those photographs (and her being initially mistaken about the dates of certain pictures) we felt that she sought to answer our questions honestly. She averred that, whilst those pictures were now dated, a number of the defects in them were still present today.

36. Mr White, for the respondent, adroitly suggested that the fact those photographs were dated reduced their credibility of the position now and pointed out that the applicant had accepted she was mistaken about the date some of the photos were taken when she observed scaffolding was in the photos. That is a fair point, and the most that Mr White could do, but the fact is that the photographs were provided to support the applicant's evidence otherwise. The photographs were of assistance to us, and we were grateful for them, but the applicant might well have not provided photographs, and simply told us the works were conducted poorly. Not only has no one from the respondent's side provided any witness evidence to contradict the applicant's evidence (even ignoring the three other witness statements provided by the applicant), but in their statement of case they didn't indicate that her evidence was disputed about the quality of the works at all – despite having gone so far as to take issue with a small part of the witness statement of Mr Fraser

(a witness for the applicant) as regards a broken window. In fact, it is clear from email correspondence in the bundles and from the respondent's comments in the Scott Schedule that there were at least some elements of the works which they thought likely required attention too.

37. That being said, the detail provided regarding which part of the works were not of satisfactory standard was a little difficult to follow. Many of the applicant's complaints concerned supposed breaches of health and safety requirements, inadequate scaffolding alarms and other concerns about the way in which the works themselves were carried out – but that is largely irrelevant to the question of whether what the leaseholders were provided by the works was reasonable in standard and amount. The applicant identified that the external decorations were of poor quality, with damage to doors and windows and paint splashes across banisters and the like. The decoration works, she averred, would need to be redone. Mr White, for the respondent, observed correctly that the applicant was not an expert, and that this was only her opinion – though as the applicant went on to note, these sorts of defects are not ones that require particular expertise to establish, and what she says is consistent with the photographs she has provided.

38. The total cost of the works themselves was, in the end, £76,010 +VAT. Of those, £36,600 + VAT were for decoration works (excluding guttering and downpipes). We have excluded the guttering and downpipes as the applicant's challenge to the painting works carried out to them was not regarding quality but a vague challenge to necessity as they are UPVC. We disagree with the applicant that it is clearly unnecessary to paint UPVC and note the comments of the respondent in the Scott Schedule that it forms a protective layer). We would therefore find that the costs of the works themselves should be reduced to £39,410 + VAT – accepting as we do (and largely must) the applicant's uncontested evidence that those works were done poorly and require redoing. However, the applicant had averred that she would consider the original estimate of £40,000 plus VAT a reasonable sum for the works carried out. We are therefore limited to that figure, and accordingly find that the cost of the works should be reduced to £48,000, being £40,000 plus VAT.

39. We have found above that a fee of 10% + VAT would be appropriate for all of the costs of the contract administration, management and supervision of the works (by the manging agent and the surveyor together). We therefore find this item should be reduced to £4,800, being £4,000 plus VAT.

Scaffolding

40. As we have determined we are restricted to the £40,000 put forward by the applicant in any event, we do not need to consider the issue of the scaffolding. Nevertheless, we note for completeness that the applicant

said that the scaffolding was not necessary, and in any event should not have been up over winter when no works could be conducted. A contractor, the applicant averred, had said they could simply use a cherry picker – and it was the respondent's surveyor who had refused to allow this. The applicant's evidence was uncontested by any other evidence, however we don't see what would have been wrong about the respondent's surveyor saying this anyway. If it is not reasonable to use scaffolding whilst carrying out roof-works at height, it is difficult to see when it might be. Much as a contractor may have indicated they could, presumably, lean out of a cherry picker to carry out the works – or otherwise step out of it onto the roof, we do not think it can be said to be unreasonable to use scaffolding given the obvious health and safety concerns present.

41. As regards the scaffolding being up over winter – we agree with the applicant that any extra costs of the scaffolding being up over winter before any works were being carried out would not be reasonable. That being said, evidentially this was a little weak as a point in terms of the precise time period being complained of, and what the extra cost might have been (particularly given this was a period over winter). Nevertheless, the respondent did not advance that there would have been no extra cost – and accordingly we might have made an estimate of those costs doing the best we could with what we had available. However, this is not necessary in this instance, as we have already found ourselves limited by the £40,000 +VAT submitted by the applicant as the reasonable cost of all the works. Accordingly, given this would be an imprecise activity in any event, we do not do so.

Applications in relation to limiting liability for litigation costs

42. In the application form, the Applicant applied for orders under section 20C of the 1985 Act and under Paragraph 5a of Schedule 11 to the Commonhold and Leasehold Reform Act 2002. Having heard the submissions from the parties and taking into account the determinations above, the tribunal determines that it is just and equitable in the circumstances for orders to be made both under section 20C of the 1985 Act and Paragraph 5a of Schedule 11 to the Commonhold and Leasehold Reform Act, so that the respondent may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge or as an administration charge.

Name: Mr O Dowty MRICS **Date:** 28 March 2025

ANNEX 1 - Schedule 4 of The Service Charges (Consultation Requirements) (England) Regulations 2003

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) obtain estimates for the carrying out of the proposed works;

(b) 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.

Annex 2 - 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 should be made on Form RP PTA available at https://www.gov.uk/government/publications/form-rp-pta-application-for-permission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber

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).