



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

Case reference : **MAN/00EQ/LDC/2024/0624**

Property : **The Gateway, Nantwich, Cheshire, CW5 5GT**

Applicant : **Abacus Land 4 Limited**

Applicant's Representative : **J B Leitch Limited**

Respondents : **Various Long Residential Leaseholders**

Type of Application : **Landlord & Tenant Act 1985 - Section 20ZA**

Tribunal Members : **Mr N Swain MRICS
Ms J O'Hare MRICS**

Date of Paper Determination : **20 June 2025**

DECISION

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1. Pursuant to section 20ZA of the Landlord and Tenant Act 1985 the tribunal makes a determination to dispense with the requirement to consult with the Respondents on the works to The Gateway, Nantwich, Cheshire, CW5 5GT described in Schedule 1.

REASONS

The Application

2. The application ('the Application') was made on 18 December 2024 by Abacus Land 4 Limited ('the Applicant'). It seeks retrospective dispensation under section 20ZA of the Landlord and Tenant Act 1985 ('the Act') in relation to the statutory consultation requirements prescribed by section 20.
3. Dispensation is sought for the installation of a replacement cool water booster pump set ('the Works').
4. The Works have been carried out to The Gateway, Nantwich, Cheshire, CW5 5GT ('the Property'), comprising 49 self-contained residential apartments arranged over four storeys (plus basement carpark). The Applicant is the management company for the Property and the Respondents are the leaseholders of the 49 residential apartments. A sample lease evidences a current lease term of 999 years commencing on 01 January 2006.
5. The Applicant's statement of case avers that:

On its recent appointment as managing agent, Livingcity became aware that the original 3 pump water booster set had catastrophically failed in May 2024 and that the previous managing agent had instructed REM Pumping to remove the pump system. The previous managing agents had made arrangements for the 3 pump system to be replaced with a single rented pump costing approximately £1000.00 per week.

Marshall Pumps quotation was in the sum of £16,750 plus VAT for the completion of the above works.

On 13 November 2024, the Applicant proceeded to instruct Marshall Pumps to carry out the Works without carrying out a section 20 consultation process with the leaseholders. The Works are scheduled for 28 and 29 November 2024. To instruct the works on an urgent basis was in the best interests of the leaseholders because:

- a. Marshall Pumps offer the cheapest quote for the Works.*
- b. The Works are urgent as set out within Marshall Pump's report and quotation.*
- c. The Applicant considers that the Works are necessary to avoid any further failings which could affect the supply of water to the residential properties within the Premises*

d. Completing the Works would relieve the leaseholders of their ongoing financial burden in relation to the single pump hire costs.

6. The Application seeks dispensation for the works detailed in Schedule 1.
7. Directions in the present case were issued on 25 March 2025. The Applicant submitted a bundle of papers including a statement of case and supporting documents. None of the Respondents submitted a statement to the tribunal opposing the Application and the Applicant has confirmed that none of the Respondents has submitted any objections to the Application directly to itself.
8. The Applicant indicated that it would be content with a determination on the papers. The tribunal considered this to be appropriate because none of the Respondents opposed the Application, neither party had requested a hearing and because there was sufficient information before the tribunal to reach a decision. It was unnecessary to conduct an inspection of the Property in view of the matters in issue.

The Law

9. Extracts from sections 20 and 20ZA of the Act are reproduced in Schedule 2. Section 20ZA subsection (1) provides that the tribunal may make a determination to dispense with consultation requirements ‘if satisfied that it is reasonable to dispense with the requirements’.
10. The tribunal considers the Supreme Court case of *Daejan Investments Limited v Benson and Others* [2013] UKSC 14 (*‘Daejan’*) to be the leading case on dispensation. In *Daejan* Lord Neuberger stated that in deciding pursuant to section 20ZA whether it is reasonable to dispense with consultation requirements, a tribunal should consider whether any relevant prejudice would be suffered by the leaseholders. Lord Neuberger stated that whilst the legal burden of proof rests throughout on the landlord, the factual burden of identifying some relevant prejudice that they would or might have suffered rested on the tenants. Lord Neuberger went on to hold that a tribunal is permitted to grant dispensation on terms, including compensating leaseholders for any prejudice suffered by requiring a landlord to reduce the amount claimed as service charge, and including an order for costs.

Findings of fact and Reasons for decision

11. None of the Respondents have submitted a statement of case opposing the Application. There is no evidence before the tribunal that any of the Respondents consider themselves to be prejudiced in any way by the absence of a section 20 consultation exercise.
12. The Applicant engaged with the Respondents on its proposals to undertake the Works.
13. The tribunal finds that there is no relevant prejudice identified by any Respondent, suffered as a consequence of the Applicant proceeding with the Works without first carrying out the section 20 consultation.

14. The Respondents have made no representation as to any condition the tribunal might impose in granting dispensation, and there is no evidence of any cost being incurred by the Respondents that should appropriately be met by the Applicant.
15. In these circumstances, the tribunal considers it reasonable to dispense with consultation requirements unconditionally. Accordingly, the tribunal makes a determination under section 20ZA of the Act to dispense with the requirement to consult with the Respondents under section 20 in relation to the Works.
16. The tribunal expresses no view as to whether any costs associated with the Works are reasonable in amount, whether the Works are of a reasonable standard or whether the element intended to be recovered by way of service charge is payable, within the meaning of sections 19 and 27A of the Act. The tribunal's decision does not include or imply any determination of such matters.

Schedule 1

‘the Works’

1. Replacement of the 3 pump cold water booster set.

Schedule 2

Extracts from legislation

Landlord and Tenant Act 1985

Section 20

(Subsections (1) and (2):)

(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) dispensed with in relation to the works or agreement by (or on appeal from) a 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 under the agreement.

Section 20ZA

(Subsection (1))

(1) Where an application is made to a tribunal for a determination to dispense with all or any of the consultation requirements in relation to any qualifying works or qualifying long term agreement, the tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements.