



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

Case Reference : **MAN/ooBY/LDC/2025/0633**

Property : **Abbey & Sheffield Buildings, 12 Old Haymarket, Liverpool L1 6ER**

Applicant : **Redwing Living Limited**

Respondents : **The Residential Long Leaseholders**

Type of Application : **Landlord and Tenant Act 1985 - Dispensation application – s.20ZA**

Tribunal Members : **Judge J A Adams**
Tribunal Member J Bissett, FRICS

Date of Decision : **22 October 2025**

DECISION

1. The application for dispensation pursuant to s.20ZA Landlord and Tenant Act 1985 is granted in respect of the roof repair/replacement works, being qualifying works, to the Property at Abbey & Sheffield Buildings, 12 Old Haymarket, Liverpool.
2. Whilst the applicant was required by section 20 of the Landlord and Tenant Act 1985 to undertake the consultation procedure set out in Part 2 of Schedule 4 to the Service Charges (Consultation Requirements) (England) Regulations 2003 (“the Regulations”), pursuant to s.20ZA (1) the Tribunal finds it reasonable to dispense with the requirements.

REASONS

BACKGROUND

1. On 22 May 2025 the applicant applied for dispensation pursuant to s.20ZA Landlord and Tenant Act 1985 (Dispensation) in respect of qualifying works to the Property known as the Abbey & Sheffield Buildings, 12 Old Haymarket, Liverpool, L1 6ER.
2. The Abbey & Sheffield Buildings are two residential buildings in the Old Haymarket complex in Liverpool. The complex is a mix of residential and commercial units and the buildings themselves are a mix of converted and purpose built buildings. Due to the nature of construction and conversion, 4 different roofs sit across the complex.
3. The Abbey and Sheffield Buildings contain a number of one- and two-bedroom apartments, occupied pursuant to long residential leases. The applicant is Redwing Living Limited, the Freeholder. The respondents are the residential leaseholders of apartments in both buildings as set out in the annex of leaseholders appended to the application.
4. The application sought Dispensation for urgent roofing works (the Works) which had been undertaken. The applicant had completed s.20 consultation in respect of roof works to both buildings, however further urgent works were identified beyond the original scope (and the program quoted in the previous s.20 consultation) and those Works were undertaken alongside the original works. The application set out the following:

"The complex of Old Haymarket located in Liverpool city centre, which consists of two residential apartment blocks the Abbey Building and Sheffield Building as well as several commercial units on the ground floor. The complex has had a history of leaks into the buildings in multiple areas with substantial damage caused in several properties. In January 2023 we issued Stage 1 of Section 20 to notify leaseholders of intended major roof repair/replacement work (Appendix A, A1). Following the issuing of the stage 1 we commissioned a building consultancy to survey the whole building

and highlighted areas of concern, a drone survey and property inspections were completed to identify work required and communication sent out to customers to update (Appendix A, A2). Following our consultants' numerous inspections a schedule of works was completed (Appendix B, B1) highlighting repairs/ and or replacement on the roofs of both the Abbey and Sheffield Building. The complex itself consists of 4 different roofs, as the complex is partially converted and partially purpose built. The Abbey Building has a large slate pitched roof which two valleys, with one of the valleys neighbouring a hotel. The works were completed."

"The basis of seeking dispensation is that full consultation for the additional work was not practical to complete as the project was on site, any further delays would have resulted in increased costs and potential further damage to properties due to defective roof/repairs highlighted. We followed a Section 20 process based on a schedule of works we commissioned a consultancy to provide for major roofing works, however once full scaffolding access and further intrusive investigation was completed additional work was found on numerous areas of the roof. To mitigate any further delay, we proceeded with additional work recommended to both buildings Sheffield and Abbey Buildings and completed a robust shortened tender exercise and proceeded with work to cause no further disruption or damage from past/ ongoing leaks."

5. The applicant advised that the cost of the additional Works in respect of the Abbey Building would be £44,620.44 and £62,473.02 in respect of the Sheffield Building. The total cost of the project was split across the residential and commercial units in accordance with the relevant leases, and the remainder of the costs attributable to the Abbey and Sheffield Buildings formed part of the earlier consultation. Dispensation is therefore sought in respect of the above additional sums only, the 'Works'.
6. Initial consultation in respect of the roof replacement commenced in early 2023 to address a number of issues including ongoing water ingress concerns. Those works followed the usual s.20 consultation procedure and tenders were awarded. When scaffolding was erected the full extent of the repair works became apparent on inspection. The previous survey was undertaken by drone as access to the roof was not available without scaffolding which limited the inspection. The extent of the further repairs identified and proposed additional Works are set out in the report Sutcliffe from June 2024. The applicant decided in light of the ongoing

works that a mini tender without consultation should be undertaken in respect of the additional Works identified. These Works were then carried out alongside the original works. The applicant advised that completing the additional Works alongside the original works led to a costs saving in relation to the scaffolding costs and access/works material staging and storage, as this could be carried out on land already leased for the project. In addition the applicant advised that carrying out the Works without delay prevented risk of further deterioration and water ingress.

7. Example leases were provided for properties in the Abbey and Sheffield Buildings. It is understood that all leases contain the same provisions. Clause 4 (2) of each lease provides that the applicant is to keep in repair the main structure. Part 2 of Schedule 1 defines main structure to include the roof over the properties/buildings which are the subject of this application.
8. It is understood that whilst undertaking the original works that were part of an earlier s.20 consultation exercise, additional Works were discovered as necessary following the contractors being able to fully access the roof after scaffolding had been installed. The additional Works identified included replacement of the metal deck section, replacement of gutters on the Sheffield roof, additional slate repairs across both Abbey and Sheffield roofs and replacement of the guttering between Abbey and the adjoining hotel building. These Works were identified in the June 2024 Sutcliffe report and gave a number of options to repair or replace the metal section on the Sheffield Building. The applicant contended that the full extent of the works was not clear until access had been obtained at the start of the original works schedule and that in order to ensure that the fabric of the building was protected and reduce costs by completing the further necessary works whilst contractors were onsite and scaffolding was available they proceeded with the additional works without consultation.
9. The additional costs for the Abbey Building works across all properties totaled £44,620.44 and £62,473.02 for the Sheffield Building. These costs were set out in a letter to residents dated 14 November 2024. The letter set out that the total scheme works cost £132,374.18 for the Abbey Building Residential units and £174,613.37 for the Sheffield Building residential units. This letter updated the

previous information and quotes provided to the respondents during the earlier consultation exercise.

THE CONSULTATION PROCEDURE

10. As the cost to each leaseholder was expected to exceed £250, the applicant was required by section 20 of the Landlord and Tenant Act 1985 to undertake the consultation procedure set out in Part 2 of Schedule 4 to the Service Charges (Consultation Requirements)(England) Regulations 2003 (“the Regulations”).
11. Consultation can be dispensed with pursuant to s.20ZA(1) Landlord and Tenant Act 1985 if the Tribunal finds it reasonable to do so.

THE APPLICATION

12. The Tribunal proceeded to determine this matter by way of paper determination on 22 October 2025. In accordance with the Directions issued on 24 June 2025 the residents were provided the opportunity to respond to the application, and one objection was received on behalf of the residential leaseholders.
13. The Tribunal in reaching its determination had regard to the statement of case lodged by the applicant alongside their application and the objections received dated 23 July 2025, addressed as on behalf of the residents of the Old Haymarket Complex (Abbey and Sheffield Buildings), with named residents as follows as the authors of the objection:
 - a. William Francois, Abbey Building
 - b. Zbigniew Zielinski, Abbey Building
 - c. Lister Tonge, Abbey Building
 - d. Victoria Masding, Sheffield Building.

FINDINGS AND CONCLUSION

14. The Tribunal noted that the applicant carried out a ‘mini tender’ for a 2 week period for the additional Works set out above. For the Abbey works, out of two quotations received the applicant had to proceed with one contractor as the other failed to respond beyond provision of the quotation. For the Sheffield building it was noted that the applicant decided to go ahead with a roof replacement to the metal deck section to ensure the long term structural integrity of the roof. The

Works were completed whilst the original scaffolding was in situ alongside permits and storage land so as to reduce additional costs to the respondents.

15. It was further noted that the respondents had been advised that further works may be identified during the course of the original works scheduled and were advised of the need for further urgent works. Further it was noted that residents meetings were arranged so as to keep the respondents updated alongside the application for dispensation being made.
16. The Tribunal found from the evidence and reports provided that the additional Works appeared urgent so as to protect from the possibility of further water ingress and to ensure that costs savings could be made on associated works costs such as scaffolding, permits and storage whilst that was already in place, the costs of which were significant and could cause further delay, and this therefore represented a saving in money and time in place of these Works being deferred.
17. The Tribunal noted the objections submitted by the respondents. It was noted that the respondents indicated in their submission that they would welcome the opportunity to provide further statements or evidence as required. This matter proceeded by way of paper determination, which was not objected to by the respondents and no alteration to the directions set was sought.
18. The Tribunal noted the following objections and reached the following conclusions:

- a. Lack of consultation and transparency – this application is in respect of the additional Works that fell outside of the normal consultation process. The Tribunal noted nonetheless that there was a high degree of engagement from the applicant towards the respondents in terms of provision of information.

The respondents also commented upon a poor and lengthy repairs history with the roof. Whilst these comments were noted the Tribunal concluded that the evidence provided supported the need for further urgent Works to be completed and noted the costs saving as set out above. The previous

repairs and issues complained of are not the subject of this dispensation application.

Further the respondents objected to the difference of costs sought from the leaseholders in respect of those occupying one and 2 bed apartments. This determination does not determine whether these works were necessary under the relevant leases or whether the costs of the same were reasonably incurred or are contractually payable under the relevant leases and these objections are therefore not relevant to this determination. However it was noted that the leases set payment of the maintenance charge as 'a fair and reasonable proportion' and payment of the maintenance fund is fixed as per schedule 6 of the lease by reference to purchase costs.

- b. Breach of consultation obligations – this is an application for dispensation from the requirement to consult for the additional Works. This application does not consider the completeness or otherwise of any earlier consulted upon works. It is accepted by the applicant that in respect of the additional Works consultation was not carried out and dispensation is sought. The Tribunal noted the respondents complaints of ongoing water ingress. Whilst noted, defects or issues with the repairs undertaken is not a matter relevant as to whether dispensation should be granted. The respondents are reminded that this application does not consider whether any costs associated with the original or additional Works were necessary or whether the Works were of a reasonable standard.
- c. Project mismanagement and site negligence – the respondents raise a number of complaints as to issues with management of the project and alleged negligence on site. Again the Tribunal has noted the concerns raised however as set out below, that the Tribunal expresses no view as to whether any costs associated with the Works are reasonable in amount, whether the Works were necessary or of a reasonable standard or whether the costs intended to be recovered by way of service charge are contractually payable under the leases or within the meaning of 'relevant costs reasonably incurred' in sections 19 and 27A of the Act. There is no application before the Tribunal in this regard.

- d. Lack of evidence justifying additional costs – again the Tribunal notes the concerns raised, and has had regard to both the applicants and respondents submissions. However the costs of the Works claimed are not the subject of this determination and the Tribunal makes no comment on their reasonableness or otherwise.
- e. Capping of recoverable costs – the Tribunal notes the residents submissions. As set out above the Tribunal notes the Sutcliffe report which identifies the need for further Works which were not apparent during the original consultation. The costs savings of completing these Works whilst scaffolding was in place was noted and the Tribunal concludes as such no prejudice was suffered.
- f. Requests as to revisions of costs estimates and for orders for further works to be completed – these are not matters for this Tribunal to determine and fall outside the scope of this determination.

19. In summary in respect of the objections received, the Tribunal concluded that on the whole, other than as set out above, the objections were not relevant to the question of dispensation, but in respect of the reasonableness or costs of the Works themselves. These matters were not the subject of the application before this Tribunal. Where those objections did relate to the question of dispensation the Tribunal considered the comments made in relation to the prejudice complained of and had regard to this alongside the benefits noted in respect of costs savings in completing the Works alongside the original works and that the Works had been subject to a mini tender process.

20. The Tribunal considers the leading case on dispensation to be the Supreme Court decision in *Daejan Investments Limited v Benson and Others* [2013] UKSC 14 ('Daejan'). 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.

21. In view of the decision in *Daejan* and the Tribunal considering that there has been no prejudice to the respondents by the failure to comply with the consultation requirements, it is appropriate to grant Dispensation pursuant to s.20ZA (1) Landlord and Tenant Act 1985, the Tribunal, finding it reasonable to do so. As such the service charge contribution to the cost of the roof works is not limited to £250 per leaseholder.
22. The Tribunal expresses no view as to whether any costs associated with the Works are reasonable in amount, whether the Works were necessary or of a reasonable standard or whether the costs intended to be recovered by way of service charge are contractually payable under the leases or within the meaning of 'relevant costs reasonably incurred' in sections 19 and 27A of the Act. No such applications are currently before this Tribunal and the Tribunal's decision does not include or imply any determination of such matters.