



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

**Case reference** : **CAM/00KA/LDC/2024/0056**

**HMCTS code** : **P:PAPERREMOTE**

**Property** : **Olympic Court, Cannon Lane,  
Luton, Stopsley, Bedfordshire, LU2  
8DA**

**Applicant** : **McCarthy & Stone Retirement  
Lifestyles Limited**

**Respondent** : **The long leaseholders of the  
Property**

**Type of application** : **Dispensation from the consultation  
requirements as set out in Section  
20ZA of the Landlord and Tenant  
Act 1985**

**Tribunal members** : **Mr P Roberts FRICS CEnv**

**Date of Determination** : **2 May 2025**

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**DECISION**

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This has been a determination on the papers which the parties are taken to have consented to, as explained below. The form of determination was a paper hearing described above as **P:PAPERREMOTE**. A hearing was not held and all issues were determined on the papers. The Applicant submitted a bundle. The Tribunal has noted the contents and the decision is below.

## Decision

**The Tribunal grants the application for retrospective dispensation from further statutory consultation in respect of the works as described below.**

**The Applicant shall be responsible for serving a copy of this Decision on all of the Lessees.**

**In granting dispensation, the Tribunal makes no determination as to whether any service charge costs are reasonable or payable (section 27A of the Act). The Tribunal also makes no determination in respect of the liability for the cost of the works.**

## Reasons

### **Background**

1. The Applicant seeks a determination pursuant to section 20ZA of the Landlord and Tenant Act 1985 (the “Act”) for retrospective dispensation from the statutory requirement to consult in respect of qualifying works.
2. The Application was completed on 16 September 2024 by Mr Edwards. This Decision therefore relates to that Application.
3. No representations have been received by the Tribunal from any of the Lessees.
4. Before making this determination, the papers received by the Tribunal were examined to determine whether the issues remained capable of determination without an oral hearing and it was decided that they were, given the lack of any challenge.
5. **The only issue for determination is whether it is reasonable for the Tribunal to dispense with the statutory consultation requirements.**
6. **The Tribunal has not considered whether the service charge costs will be reasonable or payable, nor by whom they will be payable.**

### **The Law**

7. Section 20 ZA (1) of the Act states:

*“Where an application is made to a Leasehold Valuation 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.”*

8. In having regard to the question of reasonableness, the Tribunal has considered the extent to which the Lessees would be prejudiced in dispensing of the requirements.
9. The Supreme Court provided guidance to the Tribunal in the application of section 20 AA (1) of the Act in case of Daejan Investments Ltd v Benson and others [2013] UKSC 14 (the “Daejan case”). The principles can be summarised as follows:
  1. The main question for the Tribunal when considering how to exercise its jurisdiction in accordance with section 20ZA is whether there is real prejudice to the tenants flowing from the landlord’s breach of the consultation requirements.
  2. The financial consequence to the landlord of not granting a dispensation is not a relevant factor. The nature of the landlord is not a relevant factor.
  3. Dispensation should not be refused solely because the landlord seriously breached, or departed from, the consultation requirements.
  4. The Tribunal has power to grant a dispensation as it thinks fit, provided that any terms are appropriate.
  5. The Tribunal has power to impose a condition that the landlord pays the tenants’ reasonable costs (including surveyor and/or legal fees) incurred in connection with the landlord’s application under section 20ZA (1).
  6. The legal burden of proof in relation to dispensation applications is on the landlord. The factual burden of identifying any “relevant” prejudice that they would or might have suffered is on the tenants.
  7. The court considered that “relevant” prejudice should be given a narrow definition; it means whether noncompliance with the consultation requirements has led the landlord to incur costs in an unreasonable amount or to incur them in the provision of services, or in the carrying out of works, which fell below a reasonable standard, in other words whether the non-compliance has in that sense caused prejudice to the tenant.
  8. The more serious and/or deliberate the landlord's failure, the more readily a Tribunal would be likely to accept that the tenants had suffered prejudice.

9. Once the tenants had shown a credible case for prejudice, the Tribunal should look to the landlord to rebut it.
10. The Tribunal has therefore applied the statutory provisions in accordance with the approach taken in the Daejan case.

### **Representations – The Applicant**

11. The Applicant's description of the qualifying works is:

*“Further to a site survey by Rock Compliance regarding the 2 x Dimplex ASHP units which are located on the roof of the building at the above property it was found that Unit 1 was locked off and was not operating. Unit 2 was in a poor state of repair and required replacement. It was also noted that the Carbon steel pipe work that exits the building to feed the units was showing signs of rust and this also required replacement. The new proposed units are manufactured by Mitsubishi and are their Ecodan 8.5kw range.*

*Works commenced on 31 January 2024 and are now complete”*

12. The Applicant provided a quote from Rock Compliance Limited in the sum of £16,544 plus VAT.

13. The Applicant confirmed that:

*“The Director of Division operations had a meeting with homeowners to advise a dispensation would take place in order for the works to move forward as soon as possible and a letter will be sent along with the Directions once received. Their House Manager had also been keeping them up to date.”*

14. The Applicant provided a copy of a letter dated 27 January 2025 which was sent to the Leaseholders advising of the application to the Tribunal. The total cost of the works was stated to be £19,414.80 inclusive of VAT.

15. The Tribunal was advised on 18 February that *“...McCarthy Stone have received no Respondent Forms in regard to the dispensation application for Air Source Heat Pump works at Olympic Court.”*

16. The Applicant explained that they seek dispensation on the basis that:

*“Whilst heating and hot water was available in homeowner apartments, the communal areas did not have heating”*

### **Representations – The Lessees**

17. The Tribunal has not received any representations from the Lessees.

### **Determination**

18. As set out above, the Tribunal may grant dispensation “...if satisfied that it is reasonable to dispense with the requirements”.
19. In making its decision the Tribunal has regard to the extent to which any real prejudice has arisen to the Lessees as a result of the Applicant breaching the consultation requirements.
20. No objections or representations have been received by the Tribunal from the Lessees. In this regard, the Lessees have received the Tribunal Directions and are therefore considered to have been given ample opportunity to submit representations should they have so wished.
21. The Tribunal therefore considers that it has not seen any evidence of prejudice arising to the Lessees. Furthermore, it is apparent from the submissions that the required works were necessary and further delay in their implementation would have been prejudicial to the continued safety of the Leaseholders.
22. The Tribunal consequently grants dispensation from the remaining consultation requirements of section 20 of the Landlord and Tenant Act 1985.
23. In granting dispensation, the Tribunal makes no determination in respect as to whether any of the resultant service charge costs are reasonable or payable.
24. The Applicant shall comply with the requirements as set out under the section headed “Decision” above.

**Name:** Peter Roberts FRICS CEnv

**Date:** 2 May 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).