



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

Case Reference	:	CAM/42UD/LDC/2026/0004
Property	:	Footman's Apartments, 18 Lloyds Avenue, Ipswich, Suffolk IP1 3HD
Applicant (RTM)	:	Lloyds Avenue Ipswich Management Limited
Representative (Managing Agent)	:	Richard Hawkins Limited (Hugh West - Property Manager)
Landlord	:	Russell Ambrose
Respondents	:	All Leaseholders of Dwellings at the Property
Type of Application	:	To dispense with the consultation requirements referred to in Section 20 of the Landlord and Tenant Act 1985 pursuant to Section 20ZA
Tribunal	:	Judge JR Morris
Date of Application	:	20 January 2026
Date of Directions	:	5 March 2026
Date of Decision	:	27 April 2026

DECISION

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Decision

1. The Tribunal is satisfied that it is reasonable to dispense with compliance with all the consultation requirements of Schedule 4 Part 2 to the Service Charges (Consultation etc) (England) Regulations 2003 (SI 2003/1987).

2. The Applicant or its Representative shall serve a copy of the Tribunal's decision on dispensation, together with the relevant appeal rights attached, to the Leaseholders.

Reasons

The Application

3. The Applicant is a Right to Manage Company. On 20 January 2026 the Applicant's Representative, who is the Applicant's Managing Agent, applied for dispensation from the statutory consultation requirements in respect of qualifying works which are to repair the lift at the Property. The Managing Agents had obtained an estimate for the works from Eastern Lift Services Limited on 14 January 2026 which came to £4,398.23 including VAT. There being only 9 flats this resulted in the unit charge being more than £250.00. Therefore, the works are "qualifying works" and the consultation procedure under section 20 of the Landlord and Tenant Act 1985 was required or dispensation granted, for the full cost to be met by the service charge. Since both the Managing Agents and Leaseholders considered the work to be urgent the Agents as the Applicant's Representatives applied for dispensation.
4. The Property is a five storey building of 9 two bedroom flats on the first, second and third storeys over commercial premises on the ground floor and basement. The upper floors were converted from office premises circa 2000. The building was probably originally constructed at the beginning of the 20th century of brick with stone facing to the ground floor and stone key stones to the windows of the floors above. There is a lift to the residential floors.
5. The Applicant's Representative stated on the Application form that the lift had been inspected and had been found to need urgent works due to leaking oil from the gear box which could cause the motor to seize and lead to further damage. The lift also requires work to address immediate LOLER (the Lifting Operations and Lifting Equipment Regulations 1998) defects, which they have been advised need to be rectified within 14 days as the mandatory inspection identified issues that compromised the required standard of the lift being strong and stable for working loads.
6. There are elderly and less mobile residents within the flats who struggle to use the stairs on a day to day basis and the lift is very important for them, so it is important to ensure it is safe to use as soon as possible.
7. No consultation has been carried out as yet and the Managing Agent said they have only spoken to the directors of the Applicant RTM company but that all Leaseholders will be notified of this Application. The work to the lift is urgent and so it was submitted that it was not feasible to wait for consultation.

8. Directions were issued on 5 March 2026 which stated that the Application would be determined on or after 16 April 2026 based on written representations and without an inspection, unless either party made a request for an oral hearing by 26 March 2026. No request was received.
9. The Directions required the Applicant's Representative to send by 12 March 2026 to each of the Respondent Leaseholders, by hand delivery or by first class post and by email, if practicable, copies of:
 - i. The application form without the list of leaseholders' names and addresses;
 - ii. The Directions;
 - iii. A clear concise description of the relevant works for which dispensation is sought;
 - iv. an estimate of the cost of the relevant works, including any professional fees and VAT;
 - v. Any other evidence relied upon; andTo file with the tribunal confirming that this had been done and stating the date on which this was done.
10. On 16 March 2026 the Applicant's Representative confirmed that this Direction had been complied with.
11. If the Respondent Leaseholders wished to oppose the Application the Directions required them to do so via an attached reply form by 26 March 2026. No forms or representations were received from the Leaseholders.

The Law

12. Section 20 of the Landlord and Tenant Act 1985 limits the relevant service charge contribution of tenants unless the prescribed consultation requirements have been complied with or dispensed with under section 20ZA. The requirements are set out in The Service Charges (Consultation Requirements) (England) Regulations 2003. Section 20 applies to qualifying works if the relevant costs incurred in carrying out the works exceed an amount which results in the relevant contribution of any tenant being more than £250.
13. The consultation provisions appropriate to the present case are set out in Schedule 4 Part 2 to the Service Charges (Consultation etc) (England) Regulations 2003 (SI 2003/1987) (the 2003 Regulations). The Procedure of the Regulations are summarised in Annex 2 of this Decision and Reasons.
14. Section 20ZA allows a Landlord to seek dispensation from these requirements, as set out in Annex 2 of this Decision and Reasons and this is an Application for such dispensation.
15. References to "tenants" includes "leaseholders" and vice versa.

Submissions & Evidence

16. The Applicant's Representative provided a bundle to the Tribunal which included:
- A copy of the Lease, the covenants of which are understood to be common to all the Leases,
 - Application to the Tribunal as summarised above,
 - Tribunal Directions as referred to above,
 - Applicant's confirmation regarding compliance with Directions as referred to above,
 - Letter to Leaseholders with a Description of the works,
 - A Report and Estimate for the works
- These together set out the Applicant's case.
17. The Lease dated 8 June 2001 is between the Landlord at that time, there having been an assignment of the reversion since, the Management Company, Lloyds Avenue (Ipswich) Management Company, referred to in the Lease as "The Company" and now the Applicant as a Right to Manage Company, and the respective Leaseholders for a term of 125 years from 1 January 2001. The relevant covenants are as follows:
- a) Clause 1 - Definitions
 - 1.12 "The Flat Common Parts" means all those parts of the Building enjoyed or used in common by the tenants of the flats of the Building solely and not included in the leases to them any other facilities enjoyed or used in common by the tenants of the flats in the Building in particular that without prejudice to the generality of the foregoing the lift of the Building ...
 - 1.30 "Part A Proportions" means ...% of all the expenses reasonably and properly incurred by the company within the relevant financial period in connection with the matters referred to in Part A of Schedule 5
 - 1.43 "Service Charge" means the total of the Part A Proportion and Part B Proportion applicable to the Premises
 - 1.44 "Services" means the services to be provided by the Company referred to in Parts A and B of Schedule 5
 - b) Clause 4 - Tenant's Covenants

The Tenant covenants with the Landlord and where appropriate as a separate covenant with the Company to observe and perform the requirements of this clause 4.

4.1.3.2 The Tenant must pay on demand to the Company the Service Charge in accordance with the provisions of Schedule 4... -
 - c) Clause 6 Company's Covenants

- 6.1 The Company covenants with the landlord and the tenant to provide the Services
 - d) The Fifth Schedule – Services - Part A
 - 4. Inspecting and maintaining renting renewing reinstating repairing and insuring firefighting appliances (if any) and all other equipment and facilities of whatsoever nature as the Company from time to time reasonably consider necessary in the Flat Common Parts
- 18. The statement by the Applicant's Representative in the Application Form is as set out above.
- 19. A copy of the letter sent to all Leaseholders dated 12 March 2026 was provided. The letter was headed "Lift Repairs – Dispensation from the statutory consultation requirements under Section 20ZA of the Landlord and Tenant Act 1985" and enclosed a copy of the Directions and quotation from Eastern Lift services Limited. The letter included a description of works as follows:

“Gearbox Re-seal

The lift currently has an oil leak from the motor which requires re-sealing. The oil is leaking into the lift shaft from the lift motor. With the motor leaking this can cause the motor to seize, resulting in higher costs for repair/replacement in the future.

Works required:

Mechanical specialist to attend site stump and tackle lift. Drain old oil from gearbox. Dismantle gear unit and remove old oil seals to identify oil seals so they can be ordered. Return to site. Clean all parts. Supply and fit new oil seals. Re-assemble gear unit. Fill with fresh oil. Leave lift in service.

Please note the lift will be out of service up to 3-5 working days

Adjust Floor Levelling - LOLER

2 x Engineers required to attend site, making adjustments to car door levelling which is causing a tripping hazard. Due to being reduced headroom this will require 2 engineers to adjust and correct.

Estimate of costs – Prices include VAT

Gear box reseal: £3,691.80

Floor Adjustment: £360.00

Total: £4,051.80”

Leaseholders were referred to the service report and quotation for pictures and further information.

20. A copy of the Inspection Report and Quotation were provided to the Tribunal as set out in the description of works above save for some additional works which brought the total cost to £4,398.23 including VAT.

Determination

21. In making its decision the Tribunal had regard to the decision of the Supreme Court in *Daejan Investments Ltd v Benson and others* [2013] UKSC 14. In summary, the Supreme Court noted the following:
- 1) The main question for the Tribunal whether the landlord's breach of the section 20 consultation requirements resulted in the leaseholders suffering real prejudice.
 - 2) The financial consequence to the landlord of not granting a dispensation is not a relevant factor.
 - 3) The nature of the landlord is not a relevant factor.
 - 4) Dispensation should not be refused solely because the landlord seriously breached, or departed from, the consultation requirements.
 - 5) The Tribunal has power to grant a dispensation as it thinks fit, provided that any terms are appropriate.
 - 6) 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.
 - 7) The legal burden of proof in relation to dispensation applications is on the landlord. The factual burden of identifying some "relevant" prejudice that they would or might have suffered is on the tenants.
 - 8) The Supreme Court considered that "relevant" prejudice should be given a narrow definition; it means whether non-compliance 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.
 - 9) 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.
 - 10) Once the tenants had shown a credible case for prejudice, the Tribunal should look to the landlord to rebut it.
22. From the above the Tribunal finds it has a limited jurisdiction in respect of this type of Application. The questions for the Tribunal is how did the lack of consultation prejudice the Leaseholders and in determining whether there is prejudice, the question is what would the Respondents have done if the consultation, of which they were deprived, had taken place and how would it have changed matters. The Tribunal considered the following in making its decision.

1. Are the works permissible under the lease?

23. The Tribunal found that the Lease was a long lease. Under Clause 1 the “Flat Common Parts” includes the lift. Under Clause 6 of the Lease the Applicant must carry out the repairs set out in Part A of the Fifth Schedule which includes keeping the “Flat Common Parts” (hence the lift) in repair. Under the Clause 1 definitions the “Service Charge” includes the “Part A Proportions” which are the expenses incurred by the Company in connection with the matters referred to in Part A of Schedule 5. Under Clause 4 the Tenant covenants to pay the “Service Charge”. Therefore, the Tribunal found that the Applicant was obliged to carry out the qualifying works and the Respondents are obliged to pay for them through the Service Charge.

2. Were the works necessary?

24. The Tribunal considered whether the works were necessary. From the description of the works in the Application form and the evidence adduced by way of the Inspection Report and Quotation the Tribunal finds that the works were necessary. No evidence was adduced by the Leaseholders to suggest otherwise.

3. Were the works urgent?

25. The Inspection Report identified items that had to be remedied within 14 days or the lift would not be operational and the Applicant’s Representative’s said in the Application Form that “There are elderly and less mobile residents within the flats who struggle to use the stairs on a day to day basis and the lift is very important for them so it is important to ensure it is safe to use as soon as possible”. Therefore, the Tribunal found that the works were urgent because the lift was needed by the Leaseholders and it could not be operated unless the works were carried out.

4. How was the contractor selected, the works carried out and the cost determined?

26. A consultation would have given the Leaseholders an opportunity to nominate a different contractor, who may have suggested the works be greater or lesser in scope or that a different methodology be used, which could have affected the cost, either increasing or decreasing it. The Tribunal found that there are a limited number of lift contractors and they are specialist and require specific qualifications. The works were carried out by the contractor who had been instructed to carry out a mandatory inspection under the Lifting Operations and Lifting Equipment Regulations 1998 and therefore would have the necessary qualifications. Having identified the works required to keep the lift operating and having provided a quotation it was reasonable, to engage the contractor to carry out the work especially considering the urgency. No evidence was adduced by the Leaseholders to suggest that the contractor was not independent of the Landlord

or that the works could have been carried out by a different contractor at lower cost or by a more effective method.

5. Were the leaseholders informed or aware of the works notwithstanding the consultation procedure was not carried out and have they had an opportunity to make representations?

27. The Tribunal found that the nature of the works meant that the Leaseholders would have been aware of the need and urgency of the works as the lift would no longer be in operation after 14 days if the work were not carried out. In the letter dated 12 March 2026 following the Application to the Tribunal and Directions, reference was made to a communication of 21 January 2026 from the Applicant's Representative to the Leaseholders which appeared to inform them of the works required and the intention to apply to the Tribunal. Although there was no consultation prior to the works, the Application has given an opportunity to the Leaseholders to identify an alternative contractor with cheaper quotations, or instruct a surveyor or similar professional to suggest a different scope of works or recommend a different methodology. In the event the Respondent Leaseholders did not adduce such evidence.
28. The Tribunal is satisfied that it is reasonable to dispense with compliance with all the consultation requirements of Schedule 4 Part 2 to the Service Charges (Consultation etc) (England) Regulations 2003 (SI 2003/1987).
29. The Leaseholders should note that this is not an application to determine the reasonableness of the works or their cost. If, when the service charge demands in respect of these works are sent out, any Leaseholder objects to the cost or the reasonableness of the work or the way it was undertaken, an application can be made to this Tribunal under section 27A of the Act, if the matter cannot be settled by agreement. A landlord can also seek a determination as to the reasonableness of the cost of the work.
30. The Applicant shall serve a copy of the Tribunal's decision on dispensation, together with the relevant appeal rights attached, to all Leaseholders.

Judge JR Morris

Annex 1 – Right of Appeal

1. 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.
2. 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.

3. 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.
4. 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.

Annex 2 – The Law

1. Section 20 of the Landlord and Tenant Act 1985 limits the relevant service charge contribution of tenants unless the prescribed consultation requirements have been complied with or dispensed with under section 20ZA. The requirements are set out in The Service Charges (Consultation Requirements) (England) Regulations 2003. Section 20 applies to qualifying works if the relevant costs incurred in carrying out the works exceed an amount which results in the relevant contribution of any tenant being more than £250.
2. The consultation provisions appropriate to the present case are set out in Schedule 4 Part 2 to the Service Charges (Consultation etc) (England) Regulations 2003 (SI 2003/1987) (the 2003 Regulations). The Procedure of the Regulations and are summarised as being in 4 stages as follows:

A Notice of Intention to carry out qualifying works must be served on all the tenants. The Notice must describe the works and give an opportunity for tenants to view the schedule of works to be carried out and invite observations to be made and the nomination of contractors with a time limit for responding of no less than 30 days. (Referred to in the 2003 Regulations as the “relevant period” and defined in Regulation 2.)

Estimates must be obtained from contractors identified by the landlord (if these have not already been obtained) and any contractors nominated by the Tenants.

A Notice of the Landlord’s Proposals must be served on all tenants to whom an opportunity is given to view the estimates for the works to be carried out. At least two estimates must be set out in the Proposal and an invitation must be made to the tenants to make observations with a time limit of no less than 30 days. (Also referred to as the “relevant period” and defined in Regulation 2.) This is for tenants to check that the works to be carried out are permitted under the Lease, conform to the schedule of works, are appropriately guaranteed, are likely to be best value (not necessarily the cheapest) and so on.

A Notice of Works must be given if the contractor to be employed is not a nominated contractor or is not the lowest estimate submitted. The Landlord must

within 21 days of entering into the contract give notice in writing to each tenant giving the reasons for awarding the contract and, where the tenants made observations, to summarise those observations and set out the Landlord's response to them.

3. Section 20ZA allows a Landlord to seek dispensation from these requirements, as follows –
 - (1) 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.
 - (2) In section 20 and this section—
"qualifying works" means works on a building or any other premises, and
"qualifying long term agreement" means (subject to subsection (3)) an agreement entered into, by or on behalf of the landlord or a superior landlord, for a term of more than twelve months.
 - (3) The Secretary of State may by regulations provide that an agreement is not a qualifying long term agreement—
if it is an agreement of a description prescribed by the regulations, or in any circumstances so prescribed.
 - (4) to (7)... not relevant to this application.