



FIRST-TIER TRIBUNAL

**PROPERTY CHAMBER (RESIDENTIAL
PROPERTY)**

Case Reference: LON/00BK/LDC/2025/0957

Property: Blocks D and E, New Palace Place, 22 to
37 Monck St, 84 Horseferry Road and 65
Greta Peter Street London SW1 2AP

Applicant: Adriatic Land 3 Limited (Incorporated
in Guernsey)

Representative : J B Leitch solicitors (Lauren Walker)

Respondents: The long leaseholders of Blocks D and E
listed in the schedule to the application

**Type of
Application:** To dispense with the statutory
consultation requirements under
section 20ZA Landlord and Tenant Act
1985 (the 'Act')

Tribunal: Judge Pittaway
Mrs E Ratcliff MRICS

Date of decision: 25 June 2026

DECISION

- A. The Tribunal determines that, provided the dispensation is made subject to conditions that address the Respondents' concerns as to transparency, the Respondents are not prejudiced by the Works, and it is reasonable to dispense with the consultation requirement as to the entirety of the Works.**
- B. The Tribunal grants the application for dispensation in respect of remedial works to the external walls of the premises as described in the Fire Risk Appraisal External Walls and Attachments reports from CHPK Fire Engineering Limited ('CPHK'), dated 31 March 2025 for Block D and 2 April 2025 for Block E (the 'Works') on the following conditions;**
- 1. Within 14 days of this decision, the Applicant provides the Respondents with copies of:**
 - i. The instructions to CHPK in respect of the Property.**
 - ii. All written communications between the Applicant/its agents and CHPK relating to the Property.**
 - iii. The minutes of any meetings between the Applicant/its agents with CHPK in respect of the Property, to include the minutes of any meetings that took place on 2 and/or 3 April 2025.**
 - iv. Any contractual arrangements between the Applicant/its agents and CHPK relating to the Property.**
 - v. Any further reports produced by CHPK relating to the Property and any Pre-Construction Service Agreement.**
 - vi. Any specification of proposed works and the detailed programme for the same.**
 - vii. The Tender document for the PCSA and for the works themselves.**
 - viii. The Tender Analysis Report for the PCSA and for the works themselves.**
 - ix. Contractors' priced estimates and/or tenders in respect of the PCSA and in respect of the works themselves.**
 - 2. The Applicant provides the Respondents with copies of any documents falling within the paragraphs 1(i) to (ix) above that are created or received in the future within 14 days of those documents coming into the Applicant's/its agents' possession or control and has regard, to the extent possible, to the Respondents' comments on the same.**

C. This decision does not affect the Tribunal’s jurisdiction upon any future application to make a determination under section 27A of the Act in respect of liability to pay, for a reason other than non-consultation in respect of the subject works, and the reasonableness and/or the cost of the Works.

D. The Tribunal makes an order under section 20C of the Landlord and Tenant Act 1985 so that none of the landlord’s costs of the tribunal proceedings may be passed to the lessees through any service charge

The Application

1. The Applicant seeks a determination pursuant to section 20ZA of the Landlord and Tenant Act 1985 (the ‘**Act**’) for dispensation from consultation in respect of the works to the Property. The works were described in the application as being retrospective, but at the hearing the Tribunal heard evidence that no qualifying works had yet been undertaken.
2. The application stated that dispensation from consultation was sought because *‘The works are required to be completed as soon as practicable to remediate the issues with the combustible elements of the facade. The Applicant does not wish to prejudice the commencement of the works or risk any delays which may be caused by carrying out a statutory consultation process. Additionally, the design and build contract procurement route which will be utilised for the works does not satisfy the strict requirements of ordinary consultation’.*
3. The application described the consultation that by then had been carried out as follows;
‘The Applicant’s managing agent, Encore, have kept leaseholders regularly updated in respect of the FRAEW intrusive surveys and the waking watch which was required to be implemented as an interim safety measure. On 3 April 2025, leaseholders were advised that the stay-put fire action strategy was changing to simultaneous evacuation. A waking watch patrol was implemented with immediate effect to facilitate the changing fire strategy. Encore have remained willing to answer any questions or concerns that leaseholders may have.’
4. By directions dated 15 December 2025 (the ‘**directions**’) the Tribunal directed that the Applicant by 5 January 2026 send each leaseholder, any residential sublessees and any recognized residents’ association the application, a brief statement to explain the reason for the application (if not contained in the application) and the directions to display a copy in a prominent place in the common parts of the property, and to confirm to the Tribunal by 12 January 2026 that this had been done. On 12 January

2026 the Applicant confirmed that copies of the application had been served on the leaseholders via e mail and post on 22 December 2025 and the Directions displayed in the common parts of the property on 6 January 2026.

5. The directions provided that if any leaseholder/sublessee objected to the application he/she should do so to the Applicant and the Tribunal, by 17 January 2026. This date was subsequently extended to 30 January 2026. 60 leaseholders responded, representing 64 flats, objecting to the application, the majority adopting the submissions of Mr Hext as their own.

The Hearing

6. The original date for the application to be heard of 18 February 2026 was postponed. The Tribunal heard the Application on 14 May 2026.
7. There were sixteen Respondents in attendance of the whole/part of the hearing. The Applicant was represented by Mr Maltz of counsel at the hearing.
8. The Tribunal heard evidence from Mr Tompkins of HomeGround Limited, the Applicant's professionally appointed asset manager, and submissions from Mr Maltz on behalf of the Applicants.
9. The Tribunal heard evidence and submissions from the following Respondents, Mr Hext, Mr Fivaz and Ms O'Shea, and from Ms Chang, representing Bellgreen Consulting Limited who owns Flats 104 and 504 Bentinck House. Although Mr Hext's oral submissions were made on his own behalf only, the majority of the Respondents who objected to the application adopted the submissions which he made in his statement of case as their own.
10. The documents to which the Tribunal was referred were a bundle of 626 pages, a supplementary bundle of 31 pages, a skeleton argument by Mr Hext (13 pages) and a bundle of authorities.
11. At the start of the hearing the Tribunal was told that the Applicant had agreed to make information available to the Respondents. As directed by the Tribunal Mr Hext subsequently provided to the Tribunal wording as to the information that he had agreed with Mr Maltz might be a condition to any dispensation permitted, being the wording set out in condition 1 above.
12. The Tribunal did not have time to make its determination after the hearing on 14 May 2026. It therefore reconvened on 2 June 2026 without the parties to make its determination.

Background

13. The Property is described in the statement of case by J B Leitch Limited, the Applicant's solicitors, as comprising Blocks D and E. Block D has 7 storeys and comprises Ridley House (23 residential apartments) and Pelham House (17 residential apartments). It has an approximate height to its uppermost occupied storey of approximately 18m. Block E has 7 storeys and comprises Cavendish House (24 residential apartments), Asquith House (30 residential apartments) and Bentinck House (30 residential apartments). It has an approximate height to its uppermost occupied storey of approximately 19.8m. The flats are subject to long residential leases. Each Respondent is a service charge payer. The service charges payable under the leases include the costs of repairing to a good and tenantable condition the structure, the exterior, the roof, the foundations and the common parts of the Block.
14. The Applicant received a Fire Risk Appraisal External Walls and Attachments ("FRAEW") report from CHPK Fire Engineering Limited for Block D on 31 March 2025. This assessed the potential risk to human life posed by fire and smoke spreading over and within the premises and set out the following remediation and other mitigation measures needed, including
 - Removal and replacement of the insulated sandwich panels.
 - Removal and replacement of the timber decking and insulation to projected and inset balconies.
 - Removal of the green wall attachment.
 - Installation of cavity barriers and fire stops to the window wall system.
 - Installation of cavity barriers to metal cladding
15. The Applicant received a Fire Risk Appraisal External Walls and Attachments report from CHPK Fire Engineering Limited for Block E on 2 April 2025. This assessed the potential risk to human life posed by fire and smoke spreading over and within the premises and set out the following remediation and other mitigation measures needed, including
 - Removal and replacement of the penthouse curtainwall glass panels and insulation.
 - Removal and replacement of the insulated sandwich panels.
 - Replacement of the insulation to the metal cladding, and the installation of cavity barriers.
 - Removal and replacement of the timber decking and insulation to projected, inset and window wall system balconies, and to terrace.
 - Removal and replace to insulation to window wall system, and the installation of cavity barriers.
 - Removal and replacement of timber louvres on all balconies to window wall system. Installation of cavity barriers to the terracotta cladding.

- Installation of cavity barriers to the AOV metal cladding
16. The works identified in the two FRAEW reports are hereafter referred to as ‘**the Works**’.
 17. The FRAEW reports recommended that the Works be commenced within three months of the receipt of the respective reports.
 18. Tribunal heard evidence from Mr Tompkins that the Applicant is at the closing stages of negotiating a Pre-Construction Services Agreement (“**PCSA**”) with Starfish (sic). The Applicant has been awarded Pre-Tender Support from the Building Safety Fund. The PCSA is for the investigatory works needed to design the remedial works, which will enable the Applicant to make an application for funding (under Gateway 2). It is at that stage that the works are priced and passed to the Cladding Safety Scheme to approve funding for a contract likely to be in the region of £6.5 million, other quotes having ranged up to £8.5 million, and that a refusal of dispensation would cause delay in entering into the PCSA.

The issues

19. The issues before the Tribunal to determine were
 - Should the Tribunal grant dispensation, and if so for what works?
 - If the Tribunal granted dispensation should such dispensation be subject to conditions, and if so what conditions?
 - Should the Tribunal make an order under s20C Landlord and Tenant Act 1985?
20. While initially the Applicant may have resisted any conditions being imposed on the grant of the dispensation, by the start of the hearing it was offering to provide more information to the Respondents than they had previously received.
21. Whether or not the Respondents are liable for the cost of the works by reason of the terms of their leases, any statutory provision other than section 20ZA, and whether the works are carried out to a reasonable standard and at a reasonable cost are not matters which fall within the jurisdiction of the Tribunal in relation to this present application. This decision does not affect the Tribunal’s jurisdiction upon any future application to make a determination under section 27A of the Act in respect of liability to pay and the reasonableness and /or cost of the works.

The Tribunal's decision

22. The Tribunal has reached its decision after considering the witnesses' oral and written evidence including documents referred to in that evidence, and taking into account its assessment of the evidence, and the submissions made to it. It has had regard to the application and the documents provided, and the stated need for the works to be undertaken without consultation.
23. This determination does not refer to every matter raised by the parties, or every document the Tribunal reviewed or took into account in reaching its decision. However, this does not imply that any points raised or documents not specifically mentioned were disregarded. If a point or document was referred to in the evidence or submissions that was relevant to a specific issue, it was considered by the Tribunal.
24. In reaching its decision the Tribunal has had regard to the decisions in
- *Daejan Investments Ltd v Benson and others* [2013] UKSC 14. ('**Daejan**')
 - *Holding & Management (Solitaire) Limited v Leaseholders of Sovereign View* [2023] UKUT 174 (LC) 21 ('**Solitaire**')
 - *Marshall v Northumberland and Durham Property Trust Ltd* [2022] UKUT 92 (LC) ('**Marshall**')

Is it reasonable to dispense with the consultation requirements?

25. Section 20ZA(1) of the Act provides:
- "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."*
26. The purpose of section 20ZA is to permit dispensation with the consultation requirements of section 20 of the Act if the Tribunal is satisfied that it is reasonable for them to be dispensed with.
27. In *Daejan* [paragraph 44] Lord Neuberger said, '*Given the purpose of the Requirements is to ensure that the tenants are protected from (i) paying for inappropriate works or (ii) paying more than would be appropriate, it seems to me that the issue on which the LVT should focus when entertaining an application by a landlord under section 20ZA(1) must be the extent, if any, to which the tenants were prejudiced in either respect by the failure of the landlord to comply with the Requirements.*'

28. And [at paragraph 46] *‘The Requirements are a means to an end, not an end in themselves, and the end to which they are directed is the protection of tenants in relation to service charges, to the extent identified above. After all, the Requirements leave untouched the fact that it is the landlord who decides what work needs to be done, when they are to be done, who they are to be done by, and what amount is to be paid for them.’*
29. The Applicant referred the Tribunal to Holding & Management (Solitaire) Limited v Leaseholders of Sovereign View [2023] UKUT 174 (LC) 21, *‘as the Supreme Court made clear in Daejan, the consultation requirements are not in an end in themselves; they can be dispensed with if there is no relevant prejudice to the leaseholders, meaning prejudice arose because of lack of consultation rather than any other reason....’*
30. *Daejan* requires the Tribunal to focus on the extent to which the leaseholders would be prejudiced if the landlord did not consult under the consultation regulations. It is for the landlord to satisfy the Tribunal that it is reasonable to dispense with the consultation requirements; if so, it is for the leaseholders to establish that there is some relevant prejudice which they would or might suffer [paragraph 67], and for the landlord then to rebut that case [paragraph 68].
31. In *Daejan* Lord Neuberger said that the tribunal’s discretion to grant dispensation can be exercised on such terms as it thinks fit, provided that the terms are appropriate in their nature and effect [paragraph 54].
32. The Respondents have generally accepted that there is the need for works at the premises to remedy fire risks but argue that the extent of the works contemplated by the Applicant may exceed that required to remedy the current deficiencies at the Property and may assist the Applicant in a future redevelopment of it, potentially at the Respondents’ cost if the costs are not met by the current Government funding scheme.
33. Initially the Applicant stated that the Works were required urgently. Ms Chang submitted that there was no urgency for the works, and that there is a need for there to be further risk assessment to ascertain the level of threat and its impact.
34. The Tribunal finds that the Applicant has not evidenced to the Tribunal so urgent a need for the Works to be commenced that consultation is not possible, however the Tribunal accepts the Applicant’s evidence that there is a need for works to be commenced without delay.
35. Urgency is not the only ground upon which the Tribunal may grant dispensation.

36. The Tribunal finds that the Applicant has made the application because it considers that the procurement route that it has adopted is not one which permits it to follow the statutory consultation requirements contemplated by statute, in particular, the second stage of the statutory consultation process, and because it does not want to jeopardise the availability or timing of funding from the Government for the Works.
37. The Applicant is using a design and procurement route for the Works, under which a lead consultant/ project manager is appointed pursuant to the design and build contract as part of the Works project. It submitted that the design and build contract procurement route does not satisfy the strict requirements of consultation under s20 of the Act because a lead consultant/ project manager will be appointed who will carry out the tender exercise in respect of the Works leading to the appointment of the contractor. This means that the Applicant will be unable to comply with stage 2 of the statutory consultation process, for example the Applicant, will not be in a position to obtain quotes from any leaseholder-nominated contractor.
38. The Applicant submitted that delays resulting from full statutory consultation could jeopardise the availability or timing of funding.
39. Mr Hext submitted that consultation does not have to be inconsistent with the procurement route. There can be a modified consultation, where the tenants are given details of the works and the opportunity to comment on them.
40. The Tribunal finds that the Respondents objected to the process of the procurement route adopted by the Applicant, insofar as it is not an open tender so that any contractor that they might put forward could not automatically be invited to bid for the work.
41. The Tribunal finds that it is reasonable to dispense with some/all of the dispensation requirements, in circumstances where further delay in concluding the PCSA would delay the conclusion of the investigatory works needed to design the remedial works and make an application for funding under Gateway 2. Failure to secure funding under Gateway 2 would cause financial prejudice to the leaseholders if the cost of the Works became recoverable by way of service charge. Failure to conclude the works might prejudice the leaseholders' health and safety at the Property. This appears to be recognized by the leaseholders, their objections to the works being lack of transparency, the possibility that some of the works specified are unnecessary, and the quality and cost of the works.
42. The Tribunal has then considered for what works dispensation should be given and the conditions that are to be imposed as a condition of giving dispensation to avoid any relevant prejudice that might otherwise be suffered by the leaseholders.

For what works should dispensation be given?

43. At the hearing Mr Maltz clarified that no qualifying work had yet occurred, that the qualifying works would only start once the PCSA was placed.
44. Mr Hext submitted that the consultation process (and the ability to make an application under s 27A) permit the tenant to review the necessity for/ to comment on the extent of the works proposed. Normally consultation takes place before the works are done. Mr Hext submitted that any dispensation should be limited to the cost of entering into the PCSA, and not extend to the substantive works. Mr Hext submitted that, while *Daejan* [paragraph 56] confirmed that a landlord might make seek dispensation before any works were done, here the application had been made before there is clarity as to precisely what works will be done. If there is a blanket dispensation before the extent of the works is known the tenant has no ability to comment on the extent of the works. He submitted that where dispensation is sought in advance it is for the applicant to establish that dispensation is actually necessary, and that a blanket dispensation may not be justified, referring the tribunal to the decision in *Marshall*.
45. Mr Tomkins gave evidence that splitting the Works into two parts, with the stage to the PCSA being separated out could significantly delay the start of work on site, in circumstances where the Applicant had been told by the Government to get on with the Works.
46. Mr Fivaz, the secretary of New Palace Place Owners' and Residents' Association, gave evidence, by reference to various documents in the bundle as to a proposed airspace development by the Applicant (being the addition of two floors of flats to the roof of Block E (the '**Airspace Project**'). Mr Fivaz submitted that the Block was built under the building regulations in existence twenty years ago and that the Respondents were concerned that there was a risk of the need for remediation being misused to further the Airspace Project. Previously (on the New Palace Place Portal) the Applicant had indicated that fire/building safety works would be undertaken by the developer. He submitted that the Applicant's position vis a vis Galliard, the original developer, indicated a desire for it to retain control of the Works.
47. Mr Hext questioned the extent to which the Works are necessary. They may include works which are to the Applicant's advantage in connection with the Airspace Project, by bringing the building up to the requirements of the current Fire Safety Regulations at no expense to the Applicant, thereby facilitating a roof development of which it has previously given notice to the leaseholders. Mr Hext submitted that the Applicant had preferred its own interest in progressing the Airspace Project over its obligations in relation to repairing the heating and cooling system.

48. Ms O'Shea submitted that there should be an independent FRAEW carried out to assure themselves that the work proposed for remediation by CHPK is all necessary remediation work.
49. Mr Hext submitted that the reliability of the CHPK reports was unclear; pointing to the qualifications of the author, the instructions further to which the reports were prepared and the extent to which the building owner was seeking to 'future-proof' the building, thereby increasing the scope of the work beyond that currently required. The Applicant had not provided its instructions to CHPK to the Respondents. Mr Hext expressed concern that the Applicant had prevented the original developer Galliard from obtaining its own FRAEW report, on which the Tribunal heard evidence from Ms O'Shea.
50. There is nothing before the Tribunal at present to suggest that the CHPK reports were prepared with the Airspace Project in mind. Mr Maltz referred the Tribunal to the fact that the Applicant had employed a reputable firm to prepare the reports and that the Government was prepared to accept the reports and submitted that it would be wrong for the Tribunal to accept the criticism of the reports raised at the hearing.
51. The Executive Summary of each FRAEW states the following,

'CHPK Fire Engineering (CHPK FE) has been commissioned by Adriatic Land 3 Ltd to carry out a Fire Risk Appraisal of the External wall (FRAEW) and attachments for 31 Monck St London SW1 2AP. CHPK FE reviewed the documents available, attended an intrusive site investigation, gathered information, and carried out a PAS 9980 assessment.

In line with PAS9980 guidance, this FRAEW seeks to assess the potential risk to human life posed by a fire and smoke spreading over and within the buildings' external walls, and to determine whether, in the specific circumstances of the building, remediation or other mitigation measures to address the risk are deemed necessary.

Notably, this assessment does not encompass an evaluation of the external wall construction's compliance with Building Regulations or statutory guidance, nor does it consider the safeguarding of the building's structure or the personal effects of its occupants.'

52. The Tribunal finds that there is no evidence before it that the FRAEW Reports have been prepared for any reason other than to assess the risk to human life posed by fire and smoke and the remediation measures required. They specifically state that they are not an evaluation of the external wall construction complying with Building Regulations.

53. The Tribunal finds that the method of procurement adopted by the Applicant is for one process/ scheme of works. The specification of works obtained under the PCSA leads to those works being undertaken. Accordingly, the Tribunal determines that the dispensation should be for the Works.

Will the leaseholders suffer some relevant prejudice?

54. Mr Hext submitted that the leaseholders' prejudice is clear, in that if dispensation is granted they will have no opportunity to be involved in, to scrutinise, or to comment upon the detailed specification of works that are to be carried out or the Applicant's choice of contractor. They would thus have no input upon, or opportunity to influence, the extent of the works, their cost, who carries them out, their duration or the extent to which they will disrupt their legitimate use of their apartments.
55. Mr Hext submitted that the ability to propose an alternative contractor is not the only right provided by section 20 and its associated regulations. The leaseholders are entitled to understand the works that are to be carried out, the reasons for them and the right to be able to engage with the freeholder about them. Mr Hext submitted that the Applicant was seeking *carte blanche* to carry out the Works without scrutiny.
56. Mr Fivaz, gave evidence as to the failure and lack of repair of the communal heating and cooling system since 2016 and to lack of lift refurbishment and submitted that this, together with lack of information in relation to the Airspace Project, was evidence of the Applicant's historic lack of consultation/transparency with the Respondents.
57. Mr Fivaz submitted that there was a lack of transparency on the part of the Applicant in connection with the remediation works. The leaseholders were only told after the event (on 28 November 2025) that CHPK had already completed initial phases of work and prepared an outline specification, and this which was not provided to him when he requested it. He submitted that the Applicant had not displayed the '*more cooperative approach*' and '*transparency when asked to disclose documents*' that the Upper Tribunal said in *Marshall* was necessary when dispensing with consultation. Mr Fivaz submitted that section 20 contemplates a meaningful exchange with the tenants and that without that exchange the tenants suffer prejudice. Mr Fivaz submitted that he was concerned that more works than necessary were being proposed by the Applicant, to facilitate its proposed development. Mr Fivaz submitted that the Applicant had a conflict of interest, between the necessary remediation works and the Airspace Project. This submission was also made by Ms O'Shea, who also gave evidence as to the length of time during which her flat 313 Asquith House, had not had heating.

58. Ms Chang submitted that there had been a lack of transparency in the appointment of Starfish. Mr Fivaz submitted that the number of Respondents who had replied pointed to a lack of trust of the Applicant.
59. Mr Maltz submitted that the concerns raised by the leaseholders were not relevant to whether dispensation should be granted.
60. The Tribunal heard evidence as to the involvement of Galliard, the original developer of the property. Mr Tompkins gave evidence that Galliard had initially disputed that they were the developer, and that it had then refused to enter into the licence required by the Applicant for it to carry out its own investigation as it was not prepared to pay the Applicant its legal costs for entering into the licence.
61. Mr Hext submitted that there was concern as to why the Applicant had blocked Galliard (the original developer) being able to obtain its own FRAEW report, on which the Tribunal heard evidence from Ms O'Shea. To address this concern Mr Hext submitted that it should be a condition of any dispensation that the Applicant either pay for the Respondents to obtain their own FRAEW report(s) or that Galliard should provide one.
62. Mr Maltz referred the Tribunal to stages of the section 20 major works consultation process.
63. The first stage is to serve 'Notice of Intention to Carry Out Works'. This must describe the proposed works, why they are proposed and invite leaseholders to make written observations within 30 days, putting forward their own contractors. He submitted that the leaseholders had known of the proposed works but had not reacted in the 9 months since they were advised of them. They could have commissioned their own FRAEW report and proposed their own contractors but had not done so.
64. The second stage is the service of the 'Statement of Estimates' which should be made available to the leaseholders. The Applicant is now offering to provide this. Although there is a right for the leaseholders to make observations Mr Maltz submitted that there is no automatic right to do so. The Applicant would be under an obligation to consider any such observations but is not compelled to change its choice of contractor. Should the leaseholders be dissatisfied with the landlord's choice of contractor their remedy would lie with an application under s27A of the Act. The purpose of consultation is to give transparency, not to oblige the landlord to adopt the leaseholders' suggested approach.
65. Mr Maltz told the Tribunal that the Applicant was now prepared to provide information thus addressing the leaseholders' complaint of prejudice through lack of

information being supplied to them. Their concerns would be addressed by the disclosure that had been agreed.

66. The Tribunal finds that the condition 1 now agreed by Mr Maltz and Mr Hext addresses the historic complaint of lack of transparency. And condition 2 covers future transparency.
67. The Applicant submitted that there is no financial prejudice to the Respondents caused by the dispensation and that the leaseholders remain able to challenge the costs of the Works under s27A of the Act. The Applicant submitted that it was for the Respondents to show that they had suffered financial prejudice.
68. Mr Fivaz submitted that the 'Works Overview' of 8 December 2025 provided by CHPK was not sufficient basis for quoting an estimated cost of £6.5 million. Ms Chang argued that the financial implication of the cost of the works should they have to be borne by the leaseholders should be taken into account.
69. Mr Hext submitted that it is not possible, in a *Daejan* sense, to show financial prejudice before work is carried out.
70. The Tribunal finds that the Respondents have not shown that they have suffered any financial prejudice at this stage (and it would not be possible for them to do so), and they are not prejudiced by the financial implications of the Works. If they are not government funded so that the cost, or part of it falls to be recovered from the leaseholders by way of service charge it is open to the leaseholders to challenge any element of the cost for which they should not be liable under the terms of their leases and any element of the cost which they consider to be unreasonable. Provided they are correctly specified and undertaken the cost will be the same whether or not there has been consultation. And if unnecessary work is undertaken or the cost is unreasonable that can be the matter of a s27A application.

The conditions subject to which the dispensation should be made

71. As stated in *Solitaire* conditions may be imposed where it would be reasonable to grant dispensation only if the landlord accepts certain conditions. Those conditions must be relevant and appropriate. Relevant conditions are ones which address the relevant prejudice to the leaseholders.
72. In light of the concerns expressed by the leaseholders as to historic lack of transparency and a concern that the Works might include works that facilitate the Airspace Project rather than remediation the Tribunal finds that the dispensation should be made subject to conditions, such that the Respondents should have sufficient information to challenge any cost charged to them by way of service charge

under s27A of the Act. The Tribunal finds that the condition 1 agreed by Mr Maltz and Mr Hext, together with condition 2, as set out above, address these concerns and that the dispensation should be made subject to these conditions.

73. Mr Hext was also seeking a condition that the Applicant provide funding to the Leaseholders for them to obtain their own, independent FRAEW inspection and report on the Property, and to comment upon the CHPK reports and any detailed specification produced, and indemnify the Leaseholders in respect of all costs relating to the same, including the costs of opening up and making good. Alternatively, the Applicant should procure that Galliard provide such a report.
74. If the Tribunal were to make the dispensation subject to such a condition it would put the Respondents in a better position than they would have been in had they been consulted. S20 consultation would not entitle them to put this requirement on the Applicant. Accordingly, the dispensation is not granted subject to such a condition.
75. In *Daejan* Lord Neuberger held that the tribunal has power to make the payment of costs a condition and that where those costs have been reasonably incurred a condition should normally be imposed [paragraphs 59,61,64 and 73].
76. Mr Hext submitted that any dispensation should include a condition that the Applicant pay the Leaseholders' reasonable legal costs in connection with these proceedings, to be the subject of assessment if not agreed.
77. All the Respondents appearing before the Tribunal appeared as litigants in person, and the Tribunal has been provided with no evidence of any legal costs having been incurred, so that the Tribunal finds that there is no need to make the dispensation subject to such a condition.

Application under s.20C

78. In his statement of case and at the hearing, Mr Hext applied for an order under section 20C of the 1985 Act. Taking into account the determinations above, the tribunal determines that it is just and equitable in the circumstances for an order to be made under section 20C of the 1985 Act, so that the Applicant may not pass any of its costs incurred in connection with the proceedings before the tribunal through the service charge.

Name: Judge Pittaway

Date: 25 June 2026

ANNEX - RIGHTS 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.