



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

<b>Case Reference</b>	:	<b>LON/00AU/LDC/2018/0037</b>
<b>Property</b>	:	<b>Various Flats in City Approach, 190-196 City Road, London EC1V 2QH</b>
<b>Applicant</b>	:	<b>Monopro Ltd</b>
<b>Representative</b>	:	<b>James Andrew Residential</b>
<b>Respondent</b>	:	<b>Leaseholders at Flats in City Approach 190-196 City Road</b>
<b>Representative</b>	:	<b>Not Known</b>
<b>Type of Application</b>	:	<b>An application under section 20za of the Landlord and Tenant Act 1985 for dispensation from consultation prior to carrying out works</b>
<b>Tribunal Members</b>	:	<b>Mr I B Holdsworth MSc FRICS</b>
<b>Date and venue of Hearing</b>	:	<b>20<sup>th</sup> March 2018, 10 Alfred Place, London WC1E 7LR</b>
<b>Date of Decision</b>	:	<b>21<sup>st</sup> March 2018</b>

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**DECISION**

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## **Decisions of the Tribunal**

**The Tribunal determines that dispensation should be given from all the consultation requirements in respect of the works to repair the defective electrical wiring (defined as “the Works”) in the common areas of the premises 190–196 City Road, London EC1V 2QH as required under s20 of the Landlord and Tenant Act 1985 for the reasons set out below.**

## **The application**

1. The applicant seeks a determination pursuant to s.20ZA of the Landlord and Tenant Act 1985 to dispense with the statutory consultation requirements prior to carrying out a necessary scheme of works to the common areas of 190-196 City Road, London “the property”.
2. An application was received by the First-tier Tribunal dated 9<sup>th</sup> February 2018 seeking dispensation from the consultation requirements. Directions were issued on 15<sup>th</sup> February 2018 to the Applicant and their Representatives. These Directions required the Applicant to advise all Respondents of the application and provide them with details of the proposed works.
3. The relevant legal provisions are set out in the Appendix to this decision.

## **The hearing**

4. This matter was determined by written submissions. The Applicant submits a bundle of relevant materials to the Tribunal.
5. No submissions or observations are received from the Respondents.

## **The background**

6. The property is a three-storey building with thirty five self-contained flats. At the ground floor are two retail units. The Representatives of the Applicant, James Andre Residential are the Managing Agents of the property. They are required to instruct every five years qualified electricians to carry out an inspection of the electrical wiring to the common areas of this property.

7. A report prepared by Polytec, NICEIC qualified electricians on behalf of Monopro Ltd is submitted in the Applicants bundle. This report identifies a series of electrical defects with the property. These are divided into three categories, namely:
  - Code C1 defects – danger present and immediate remedial action required;
  - Code C2 defects – potentially dangerous defects that are in need of urgent remedial action;
  - Code C3 defects – these are defects which are recommended because improvement is required to satisfy current safety standards and further investigation; and,
  - S1 – further investigation should be carried out of the defect without delay.
8. An email received by James Andrew Residential from Gallagher Insurers dated 6<sup>th</sup> February 2018 requests all “C1 and C2 items are completed by 1<sup>st</sup> of May 2017.”
9. In response, the Managing Agents issued on 9<sup>th</sup> February 2018 a Notice pursuant to Section 20 of the Landlord & Tenant Act 1985 that advises the Leaseholders that they intend to carry out all the works specified in the report prepared by Polytec dated 18<sup>th</sup> January 2018 at a cost of £12,897.00 plus VAT. This Notice advised that the consultation period would end on 12<sup>th</sup> March 2018. The Tribunal is not aware of any observations or other responses made to this consultation by the Respondents. The Notice asked for the Respondents to make a nomination to carry out the specified works. The Tribunal is not aware of any alternative contractor nomination to undertake the works..
10. In the bundle supplied to the Tribunal, there is a copy of an Underlease dated 30<sup>th</sup> October 1998 for Flat No. 5, Second Floor, City House, 190-196 of the property. It is assumed that this is a specimen Lease and all other Leases in the property are of a consistent type. At Section 25.13 *Common Parts Costs*, the leaseholder covenants to pay, “*the cost of inspecting, maintaining, renting, renewing, reinstating, replacing, insuring all or any of the electrical or mechanical apparatus in the common parts is to be included within the service charges.*” At Section 25.15 of the underlease it states, “*any charges relating to the lighting and heating of the common parts are included within the service charge.*”
11. The only issue for me to consider is whether or not it is reasonable to dispense with the statutory consultation requirements in respect of the

Works. The application does not concern the issue of whether any service charge costs are reasonable or payable.

**The determination**

12. I have considered the papers lodged. There is no objection raised by the Respondents, either together or singularly.
13. There is a demonstrated need to carry out the works urgently to reduce the risk of electrical failure. An early start on the works will satisfy the Insurers' requirements and reduce safety risks.
14. It is acknowledged that the C3 repairs and S1 investigations are included within the Works and are not a requirement of the Insurers early completion. The inclusion of these in the overall scheme is likely to mitigate the total Works cost and it is for this reason they are included within the dispensation.
15. It is for these reasons that I am satisfied it is appropriate to dispense with the consultation requirements for the Works. It is noted no competitive quotes were submitted with the Application other than that contained in the Electrical Installation Condition Report. My decision does not affect the right of the Respondents to challenge the costs, the payability, or reasonableness of costs, should they so wish.

Valuer Chairman    Ian B Holdsworth

20<sup>th</sup> March 2018

## **Appendix of relevant legislation**

### **Section 20 of the Act**

- (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 leasehold valuation 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 or under the agreement.
- (3) This section applies to qualifying works if relevant costs incurred on carrying out the works exceed an appropriate amount.
- (4) The Secretary of State may by regulations provide that this section applies to a qualifying long term agreement—
  - (a) if relevant costs incurred under the agreement exceed an appropriate amount, or
  - (b) if relevant costs incurred under the agreement during a period prescribed by the regulations exceed an appropriate amount.
- (5) An appropriate amount is an amount set by regulations made by the Secretary of State; and the regulations may make provision for either or both of the following to be an appropriate amount—
  - (a) an amount prescribed by, or determined in accordance with, the regulations, and

- (b) an amount which results in the relevant contribution of any one or more tenants being an amount prescribed by, or determined in accordance with, the regulations.
- (6) Where an appropriate amount is set by virtue of paragraph (a) of subsection (5), the amount of the relevant costs incurred on carrying out the works or under the agreement which may be taken into account in determining the relevant contributions of tenants is limited to the appropriate amount.
- (7) Where an appropriate amount is set by virtue of paragraph (b) of that subsection, the amount of the relevant contribution of the tenant, or each of the tenants, whose relevant contribution would otherwise exceed the amount prescribed by, or determined in accordance with, the regulations is limited to the amount so prescribed or determined.

### **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).