



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

**Case Reference** : **MAN/00EQ/LDC/2021/0056**

**Property** : **Cedarwood, Legh Close, Stockport, Cheshire  
SK12 1JW**

**Applicant** : **Anchor Hanover**

**Representative** : **N/A**

**Respondents** : **Various Residential Long Leaseholders**

**Type of Application** : **Landlord & Tenant Act 1985 – Section 20ZA**

**Tribunal Member** : **Judge L Bennett**

**Date of determination** : **12 December 2022**

**Date of Decision** : **12 December 2022**

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**DECISION**

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## **Application**

1. Anchor Hanover applies to the Tribunal under Section 20ZA of Landlord and Tenant Act 1985 (the Act) for dispensation from the consultation requirements of Section 20 of the Act and the Service Charges (Consultation Requirements)(England) Regulations 2003 (SI 2003/1987) in respect of fire safety works to the common parts, which included compartmentation and fire stopping works which were undertaken during the latter part of 2019 (the Works) at Cedarwood, Legh Close, Stockport, Cheshire SK12 1JW (the Property).
2. The Respondents are the Residential Long Leaseholders at the Property and listed at the Annex to this decision.

## **Grounds and Submissions**

3. The application was received by the Tribunal on 8 September 2021.
4. The Applicant is the Freeholder of the building.
5. The Tribunal did not carry out an inspection but understands that the Property is a retirement development comprising 34, one bedroom leasehold flats, for occupation by persons aged 60 and over.
6. On 9 June 2022, a Tribunal Judge made directions requiring the service of documents by the Applicant on each of the Respondents. The directions provided that in the absence of a request for a hearing the application would be determined upon the parties' written submissions.
7. In response to directions the Applicant has provided a statement explaining why the application was made to the Tribunal together with supporting documents.
8. During 2018/2019, Legacy Hanover (now Anchor), consulted Leaseholders in accordance with Section 20, under schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003, prior to entering into a qualifying long term agreement (QLTA) with Engie.
9. During the latter part of 2019 it was necessary to carry out fire safety works to the common parts of the Property, which included compartmentation and fire stopping works. In accordance with Section 20 requirements prior to carrying out works under a QLTA, a notice of intention should have been served on all leaseholders under Schedule 3 of the consultation requirements. However, this notice was not served in error. The total cost of the works was £13, 233.55, which exceeded the Section 20 threshold by £4, 733.55.
10. Dispensation is sought on the basis that whilst the 30 days' notice of intention to carry out work under a long-term agreement was not served in error, this has not resulted in any financial prejudice to Leaseholders. The works were necessary to ensure the safety of residents living at the location and would have been carried out by Engie who were appointed under the QLTA at the same cost had the consultation process been followed.
11. The Tribunal did not receive any submissions from a Respondent Leaseholder. Neither the Applicant nor a Respondent requested a hearing.

12. The Tribunal convened without the parties to make its determination on 12 December 2022.

## **Law**

13. Section 18 of the Act defines “service charge” and “relevant costs”.
14. Section 19 of the Act limits the amount payable by the lessees to the extent that the charges are reasonably incurred.
15. Section 20 of the Act states:-  
**“Limitation of service charges: consultation requirements**  
Where this Section applies to any qualifying works..... the relevant contributions of tenants are limited..... Unless the consultation requirements have either:-
  - a. complied with in relation to the works or
  - b. dispensed with in relation to the works by ..... a tribunal.This Section applies to qualifying works, if relevant costs incurred on carrying out the works exceed an appropriate amount”.
16. “The appropriate amount” is defined by regulation 6 of The Service Charges (Consultation Requirements) (England) Regulations 2003 (the Regulations) as “..... an amount which results in the relevant contribution of any tenant being more than £250.00.”
17. Section 20ZA(1) of the Act states:-  
"Where an application is made to a Tribunal for a determination to dispense with all or any of the consultation requirements in relation to any qualifying works ..... the tribunal may make the determination if satisfied that it is reasonable to dispense with the requirements."

## **Tribunal’s Conclusions with Reasons**

18. I have determined this matter following a consideration of the Applicant’s case but without holding a hearing. Rule 31 of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 permits a case to be dealt with in this manner provided that the parties give their consent (or do not object when a paper determination is proposed). In this case, the Applicant has given its consent and the Tribunal has not heard from a Respondent in response to the application. Moreover, having reviewed the case papers, I am satisfied that this matter is indeed suitable to be determined without a hearing. Determining this matter does not require me to decide disputed questions of fact.
19. It is not necessary to consider at this stage the extent of any service charges that may result from the works payable under the terms of the Respondents’ leases. If and when such is demanded, and if disputed, it may properly be the subject of a future application to the Tribunal.
20. Having considered the submission made by the Applicant I accept that there was an error in not serving the notice of intention, which is a requirement of Section 20. However, the works were of an urgent nature and necessary. In any event, they would have been carried out by Engie as part of the QLTA at no extra cost.

32. In **Daejan Investments Ltd v Benson [2013] UKSC 14** it was determined that a Tribunal, when considering whether to grant dispensation, should consider whether the tenants would be prejudiced by any failure to comply with the Consultation Requirements. Balancing the need for urgent action against dispensing with statutory requirements devised to protect service charge paying Leaseholders, I conclude that in this instance there was no identified financial prejudice suffered by the Leaseholders as a result of the consultation process not being followed. Dispensation from the consultation requirements does not imply that any resulting service charge is reasonable.

### **Order**

33. The Applicant is dispensed from complying with the consultation requirements in respect of the work specified in the application.

**Laurence J Bennett**  
**Tribunal Judge**  
**12 December 2022**

### **Annex - List of Respondent Leaseholders and Unit Number**

<b>Leaseholder</b>	<b>Unit</b>
Mrs E Marshall	26 Cedarwood
Mrs A Stokes	9 Cedarwood
Mrs D Lear	8 Cedarwood
Mrs J Farley	22 Cedarwood
Mrs P M Kearsley	30 Cedarwood
Mrs N Hughes	12 Cedarwood
Mrs J B Doyle	18 Cedarwood
Mrs A Stokes	20 Cedarwood
Mr B Henshall & Mr M Henshall	4 Cedarwood
Mrs J Rooney	34 Cedarwood
Mrs A J Stephens	11 Cedarwood
Mrs D Dickinson	27 Cedarwood
Mrs B Costa	31 Cedarwood
Mrs B M Frearson & Miss S M Frearson	21 Cedarwood
Miss S J Beales	5 Cedarwood
Mrs G M Shelmerdine	35 Cedarwood
Miss M Edmondson	6 Cedarwood
Mrs M Riley	24 Cedarwood
Mrs E Griffiths	33 Cedarwood
Mr R Alcock	7 Cedarwood
Mrs J Tiplady	14 Cedarwood
Mrs E M Ashall	15 Cedarwood
Mrs N Mellor	10 Cedarwood
Mr T J Riley	25 Cedarwood
Mrs M Kemp	23 Cedarwood
Mrs C Ingham	2 Cedarwood
Mr D Gosling	3 Cedarwood
Mrs D M Scale	19 Cedarwood
Mrs T Allen	17 Cedarwood
Mrs E Mealand	29 Cedarwood
Mrs A Roberts	16 Cedarwood
Mrs B Aldalf	32 Cedarwood
Ms Henshall	28 Cedarwood
Mr P Broome	36 Cedarwood

