



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

Case Reference : **BIR/00CN/LDC/2025/0028**

Subject Properties : **70 Holmes Close
Norwich
Norfolk NR7 9XN
And other properties managed by the Applicant**

Applicant : **Orbit Group Limited**

Representative : **Shakespeare Martineau LLP**

Respondents : **Tenants of the subject properties**

Type of Application : **Application under section 20ZA of the
Landlord and Tenant Act 1985 for
dispensation of the consultation
requirements in respect of a qualifying
long term agreement**

Tribunal Member : **Deputy Regional Judge Nigel Gravells**

Date of Decision : **3 November 2025**

DIRECTIONS

Background

1. Section 20 of the Landlord and Tenant Act 1985 ('the 1985 Act') (as amended by the Commonhold and Leasehold Reform Act 2002) and the Service Charges (Consultation Requirements) (England) Regulations 2003 set out the consultation procedure that a landlord must follow in respect of a 'qualifying long term agreement', defined in section 20ZA(2) of the 1985 Act as an 'agreement entered into, by or on behalf of a landlord ..., for a term of more than twelve months'. If a landlord fails to comply with the consultation requirements, there is a statutory maximum sum (£100.00) that a leaseholder has to pay by way of a contribution to the cost of the qualifying long term agreement in any one year. However, the landlord may apply to the First-tier Tribunal under section 20ZA of the 1985 Act for dispensation from the consultation requirements (including retrospective dispensation). If dispensation is granted, the statutory maximum contribution does not apply.
2. By application received by the Tribunal on 29 July 2025, the Applicant applied under section 20ZA for dispensation from the consultation requirements in respect of proposed agreements (for a term of more than twelve months) for the supply of gas and electricity to all its social housing schemes.
3. The Applicant states that its buying power enables it to get better rates from energy suppliers, leading to savings that can be passed directly to tenants. The Applicant currently concludes 12-month contracts but states that it is possible to secure cheaper rates if a longer contract is negotiated. However, the energy market is volatile and a purchaser such as the Applicant needs to act quickly to secure the most favourable rates. Quotations received from suppliers are typically held for very short periods, sometimes as short as a few hours. The delay inherent in full compliance with the statutory consultation requirements makes it impossible to act quickly to secure the better rates when they become available.
4. The Applicant wrote to the tenants on 22/23 May 2025 to explain the situation and to seek views.
5. By the present application the Applicants seeks a formal determination from the Tribunal that full compliance with the statutory consultation requirements is dispensed with.
6. **The only issue for the Tribunal to determine under this application is whether or not it is reasonable to dispense with the statutory consultation requirements. This application does not concern the issue of whether any service charge costs will be reasonable or payable.**

Directions

7. The Applicant must, **not later than 21 November 2025**, write to each of the Respondents by email, first class post or hand delivery –
 - a) informing them of the application to the Tribunal;
 - b) informing them that a copy of the application form and accompanying documents (with leaseholder personal details deleted) and a copy of these Directions will be available on the Applicant's website (providing the URL address);
 - c) informing them that, if they wish to receive hard copies of the application and accompanying documents and these Directions, they should write to the

Applicant by **28 November 2025** and the Applicant will then provide hard copies (with leaseholder personal details deleted) by **5 December 2025**;

- d) informing them that any response to the application should be made by **19 December 2025** using the Reply Form attached to these Directions;
 - e) informing them that, as the application progresses, additional documents will be added to the Applicant's website, including the final decision of the Tribunal.
8. The Applicant must, **not later than 21 November 2025** –
- a) confirm to the Tribunal that paragraph 7 above has been complied with; and
 - b) provide to the Tribunal the names of any Respondents who have already notified the Applicant that they oppose the application for dispensation.
9. Any Respondent who opposes the application for dispensation must, **not later than 19 December 2025** –
- a) complete the attached Reply Form, and return it to the Tribunal (by email to rpmidland@justice.gov.uk) and to the Applicant, indicating whether -
 - they consent to the application (i.e. agree to dispensation from full consultation), or
 - they oppose the application (in whole or in part) and the reasons why.
 - they wish the Tribunal to hold a hearing.
10. The Applicant must, **not later than 16 January 2026**, reply to any Respondent who opposes the application for dispensation, sending a copy of the response to the Respondent and to the Tribunal.
11. The Applicant must, **not later than 30 January 2026** –
- a) prepare an indexed and paginated Adobe PDF bundle of all relevant documents for use in the determination of the application (including copies of the application form and accompanying documents (with leaseholder personal details deleted), copies of these Directions and any further Directions issued by the Tribunal, copies of any replies from the Respondents and any other documents on which the Applicant relies;
 - b) upload a copy of the bundle to the Applicant's website;
 - c) provide each of the Respondents who has opposed the application for dispensation with a link to the uploaded bundle or with a hard copy of the bundle (if requested);
 - d) provide the Tribunal with a copy of the bundle;
 - e) provide the Tribunal only with a representative sample of the leases falling within this application;
 - f) provide the Tribunal with stamped addressed envelopes for all Respondents who have opposed the application for dispensation (with postage for a document of approximately 20 pages).

Hearing

12. The Applicant has indicated that it would be content with a paper determination (a determination based on the written submissions made by the parties and without an oral hearing), which at this stage the Tribunal agrees would be appropriate. However, if any Respondent requires an oral hearing, they must advise the Tribunal when returning the reply form.

Important note

13. In considering this matter, the Tribunal will have regard to the decision of the Supreme Court in *Daejan Investments Ltd v Benson and others* [2013] UKSC 14 and the guidance to the Tribunal - that in considering dispensation requests, it should focus on whether leaseholders (ie the Respondents in this matter) would be prejudiced by the lack of section 20 consultation. The parties are advised to address this in their statements. The Respondents are also reminded that this application does not concern the issue of whether any service charge costs will be reasonable or payable.

Decision

14. The Tribunal will send a copy of its final Decision to the Applicant and every Respondent who has returned the Reply Form attached to these Directions.
15. In addition, the Applicant shall place a copy of the Tribunal's final Decision (including the statement of the parties' rights of appeal) on the Applicant's website within seven days of receipt and shall maintain it there for at least three months. The Applicant shall place a prominent link to the Decision on its home page.

3 November 2025

Professor Nigel Gravells
Deputy Regional Judge

REPLY FORM FOR RESPONDENTS

Case Reference:

BIR/00CN/LDC/2025/0028

Property:

Please return this form to the Tribunal at the latest by 19 December 2025 by email (rpmidland@justice.gov.uk)

and send a copy to the Applicant at

**Danielle Sodhi
Shakespeare Martineau LLP
Waterfront House
Waterfront Plaza
35 Station Street
Nottingham NG2 3DQ**

Email: MLSSocialHousing@shma.co.uk

Please tick one box only in each of section 1 and 2.

	Yes
1. I/We support the application for dispensation from full consultation for the long term agreement	<input type="checkbox"/>
OR I/We do not support the application and object to dispensation being granted. My/Our statement of reasons is attached	<input type="checkbox"/>

	Yes
2. I/We agree that the Tribunal may decide the matter on the basis of written representations only (no hearing)	<input type="checkbox"/>
OR I/We wish the Tribunal to hold a hearing	<input type="checkbox"/>

Date:

Print name:

Signed:

Postal communication address:

.....

Telephone number:

Email address:

Property owned (if different from above):

.....