



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

<b>Case Reference</b>	:	<b>LON/00AL/LDC/2016/0070</b>
<b>Property</b>	:	<b>The residential long leasehold properties in the Royal Borough of Greenwich</b>
<b>Applicant</b>	:	<b>The Royal Borough of Greenwich</b>
<b>Respondents</b>	:	<b>The Long Leaseholders of The Royal Borough of Greenwich</b>
<b>Type of Application</b>	:	<b>Dispensation from statutory consultation (section 20ZA Landlord and Tenant Act 1985)</b>
<b>Tribunal Judge</b>	:	<b>Mr M Martynski Mr H Geddes RIBA MRTPI</b>
<b>Date of Decision</b>	:	<b>5 September 2016</b>

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**DECISION**

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**Decision summary**

1. Dispensation is granted from the requirements of section 20 Landlord and Tenant Act 1985 to consult with leaseholders concerning the Applicant's proposal to enter into a Qualifying Long Term Agreement with LASER for four years from 1 October 2016 for the procurement of gas and electricity supplies.

**Background, the application, evidence and responses**

2. The Applicant is the freehold owner of a large number of residential properties in the Borough which are subject to long leases held by the Respondents.

3. The Applicant's application is dated 4 July 2016.
4. Directions on the application were given on 19 July 2016. The directions placed the matter on the Paper Track to be considered without a hearing. All leaseholders have been notified of the application to the tribunal. We have considered the application on the basis of the tribunal's file and the bundle of documents submitted by the Applicant.
5. The Applicant procures the block supply of gas and electricity for its residential properties and has done this in the past through a professional buying organisation, LASER. The Applicant then charges (by way of Service Charges) the costs of the energy to the Respondent leaseholders in accordance with their use of that energy.
6. The Applicant's application to the tribunal fully sets out the background to the procurement of the energy supplies and the reasons why it wishes to continue to procure supplies of gas and electricity via LASER. In summary, LASER's performance has been evaluated both internally and externally and it has been found that LASER has been able to secure significant savings on utility supplies. The Applicant currently has an agreement with LASER for the procurement of gas and electricity supplies and this agreement expires on 30 September 2016. This agreement was entered into following a previous dispensation granted by the tribunal on 21 May 2014.
7. Prior to making the application to the tribunal, the Applicant sent out a Notice to Intention to all leaseholders and received 59 observations. The Applicant responded to all these observations.
8. The tribunal did not receive any reasoned objections from leaseholders in respect of the Applicant's application to the tribunal.

### **Decision**

9. The advantages of procuring gas and electricity supplies via LASER have been fully set out in the application and the supporting evidence. It is clear from the evidence that;
  - (a) there are clear advantages to leaseholders in obtaining supplies via a long-term agreement with LASER resulting in competitive costs for those services being passed to the leaseholders in the form of Service Charges;
  - (b) leaseholders have been notified of the proposed agreement and have been given the opportunity of commenting on it and have had their questions answered
  - (c) no reasoned objection has been made by any leaseholder in response to the Applicant's application to this tribunal
10. Dispensation is therefore granted in respect of the consultation requirements regarding the Qualifying Long Term Agreement to be

entered into between the Applicant and LASER following the expiry of the current agreement on 30 September 2016.

**Mark Martyński, Tribunal Judge**  
**5 September 2016**