

THE FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

**IN THE MATTER OF THE BARBICAN ESTATE AND CITY OF LONDON
HOUSING REVENUE ACCOUNT ESTATES**

**AND IN THE MATTER OF A DISPENSATION APPLICATION UNDER S.20ZA OF
THE LANDLORD AND TENANT ACT 1985**

B E T W E E N:

THE MAYOR AND COMMONALITY AND CITIZENS OF THE CITY OF LONDON
Applicant

– and –

2953 LEASEHOLDERS AT THE PROPERTIES
Respondents

BUNDLE FOR HEARING

13 NOVEMBER 2025

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FOR HEARING ON 13 NOVEMBER 2025
LON/00AA/LDC/2025/0734

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Application for the dispensation of all or any of the consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985

Section 20ZA of the Landlord and Tenant Act 1985

It is important that you read the notes below carefully before you complete this form.

This is the correct form to use if you want to ask the Tribunal to dispense with all or any of the consultation requirements set out in section 20 of the Landlord and Tenant Act 1985 and in the Service Charges (Consultation Requirements)(England) Regulations 2003.

A fee is payable for this application (see section 13 for Help with Fees).

Applications should be sent as a Microsoft Word document by **email** to the relevant regional tribunal address shown in the Annex to this form. You must also send by email **the documents listed in section 13 of this form**. If you cannot access email or find someone to assist you in lodging your application by email, then a paper application will be acceptable although there may be a delay in dealing with this. Sending an application on paper will not be suitable in urgent cases.

You can now pay the **the fee (if applicable) by an on-line banking payment or by cheque/postal order enclosed with the application form.**

If you want to be sent online banking payment details by email, please tick this box

Please make sure a copy of the application is served on the other party/parties to the application. If you are unable to serve a copy on the other party/parties, please bring this to the tribunal's attention in the covering email or if sending by post in a covering letter.

Please do not send any other documents. When further evidence is needed, you will be asked to send it in separately.

If you have any questions about how to fill in this form, the fee payable, or the procedures the Tribunal will use please contact the appropriate regional office.

If you are completing this form by hand please use BLOCK CAPITAL LETTERS.

1. DETAILS OF APPLICANT(S) (if there are multiple applicants please continue on a separate sheet)

Name:

Capacity:

Address (including postcode):

Address for correspondence (if different from above):

Telephone:

Day: Evening: Mobile:

Email address: Fax:

Representative name and address, and other contact details: Where details of a representative have been given, all correspondence and communications will be with them until the Tribunal is notified that they are no longer acting for you.

Name:

Reference no. (if any)

Address (including postcode):

Telephone:

Day: Mobile:

Email address: Fax:

2. ADDRESS (including postcode) of SUBJECT PROPERTY (if not already given)

The application is in respect of all long leasehold properties where the City of London Corporation is the Landlord and lessees are affected by the nature of the application and the supply of temporary worker services under the QLTA in question. That is 2,953 leaseholders as follows:

Long leasehold properties on the Barbican Estate: 2,014

Long leasehold properties on the HRA (Housing Revenue Account) Estates: 939

3. DETAILS OF RESPONDENT (S) the person against whom an applicant seeks determination from the tribunal – this will only be the landlord's managing agent if they are a party to the lease. If there are multiple respondents, please continue on a separate sheet.

Name:

Capacity

Address (including postcode):

Reference no. for correspondence (if any)

Address for correspondence (if different from above):

Telephone:

Day: Evening: Mobile:

Email address: Fax:

Note: If this is an application by a landlord, then usually all tenants liable to pay a service charge for the costs in question should be joined as respondents. If tenants are not joined in this way, the landlord should provide the Tribunal with a list of the names and addresses of service charge payers. If this is not possible or is impractical, then a written explanation must be provided with this application.

If you are the landlord/management company making the application please omit, if known, the telephone/fax numbers and email address of the respondent(s) when completing Box 4 and include them on a separate sheet. This is because the application form may be copied by the tribunal to other appropriate persons (e.g. other service charge paying leaseholders in the building or development).

4. BRIEF DESCRIPTION OF BUILDING (e.g. 2 bedroom flat in purpose built block of 12 flats)

22 residential blocks located at the Barbican Estate, London EC2, which are comprised of residential flats in purpose built blocks.

57 residential blocks forming part of the City of London's HRA Estates, which are comprised of residential flats in purpose built blocks.

For a list of the relevant blocks on the Barbican Estate and HRA Estates see the "Schedule - Barbican Estate" and "Schedule - HRA Estates" attached to the Grounds to this application.

5. DETAILS OF LANDLORD (if not already given)

Name:

Address (including postcode):

Reference no. for correspondence (if any)

Telephone:

Day: Evening: Mobile:

Email address: Fax:

6. DETAILS OF ANY RECOGNISED TENANTS' ASSOCIATION (if known)

Name of Secretary

Address (including postcode):

Telephone:

Day: Evening: Mobile:

Email address: Fax:

7. DISPENSATION SOUGHT

Applicants may seek a dispensation of all or any of the consultation requirements in respect of either qualifying works or long-term agreements.

Does the application concern qualifying works? Yes No

If Yes, have the works started/been carried out? Yes No

Does the application concern a qualifying long-term agreement? Yes No

If Yes, has the agreement already been entered into? Yes No

For each set of qualifying works and/or qualifying long-term agreements please complete one of the sheets of paper entitled '**GROUND'S FOR SEEKING DISPENSATION**'

8. OTHER APPLICATIONS

Do you know of any other cases involving either: (a) related or similar issues about the management of this property; or (b) the same landlord or tenant or property as in this application? Yes No

If Yes, please give details

A previous application concerning the same QLTA and the Barbican Estate was made on 30 May 2023 and subsequently withdrawn on 25 October 2023 (Case Reference LON/00AA/LDC/2023/0183).

An individual leaseholder has challenged service charges on the Barbican Estate, which also concerned this QLTA (Case Reference LON/00AA/LSC/2024/0018). This was determined on 1 August 2024, and the leaseholder has sought permission to appeal.

A separate application for retrospective dispensation in respect of a subsequent QLTA is being made alongside this application.

9. CAN WE DEAL WITH YOUR APPLICATION WITHOUT A HEARING?

If the Tribunal thinks it is appropriate, and all the parties and others notified of their right to attend a hearing consent, it is possible for your application to be dealt with entirely on the basis of written representations and documents and without the need for parties to attend and make oral representations. ('A paper determination').

Please let us know if you would be content with a paper determination if the Tribunal thinks it appropriate. Yes No

Note: Even if you have asked for a paper determination the Tribunal may decide that a hearing is necessary. Please complete the remainder of this form on the assumption that a hearing will be held. Where there is to be a hearing, a fee of £220 will become payable by you when you receive notice of the hearing date.

10. TRACK PREFERENCES

We need to decide whether to deal with the case on the Fast Track or the Standard Track (see Guidance Note for an explanation of what a track is). Please let us know which track you think appropriate for this case. Fast Track Standard Track

Is there any special reason for urgency in this case? Yes No

If Yes, please explain how urgent it is and why:

Note

The Tribunal will normally deal with a case in one of three ways: on paper (see section 10 above) or 'fast track' or 'standard track'. The fast track is designed for cases that need a hearing but are very simple and will not generate a great deal of paperwork or argument. A fast track case will usually be heard within 10 weeks of your application. You should indicate here if you think your case is very simple and can be easily dealt with. The standard track is designed for more complicated cases where there may be numerous issues to be decided or where for example, a lot of documentation is involved. A standard track case may involve the parties being invited to a Case Management Conference which is a meeting at which the steps that need to be taken to bring the case to a final hearing can be discussed.

11. AVAILABILITY

If there are any dates or days we must avoid during the next four months (either for your convenience or the convenience of any expert you may wish to call) please list them here.

Please list the dates on which you will NOT be available:

Based on a hearing estimate of 2-3 days:

April 2025: 1-30 (inclusive)

May 2025: 1-30 (inclusive)

June 2025: 2-30 (inclusive)

July 2025: 1-25 (inclusive)

12. VENUE REQUIREMENTS

Please provide details of any special requirements you or anyone who will be coming with you may have (e.g. the use of a wheelchair and/or the presence of a translator):

None known

Applications handled by the London regional office are usually heard in Alfred Place, which is fully wheelchair accessible. Elsewhere, hearings are held in local venues which are not all so accessible and the case officers will find it useful to know if you or anyone you want to come to the hearing with you has any special requirements of this kind.

13. CHECKLIST

Please check that you have completed this form fully. The Tribunal will not process your application until this has been done. Please ensure that the following are enclosed with your application and tick the appropriate box to confirm:

A copy of the lease(s).

A statement that service charge payers have been named as respondents or a list of names and addressess of service charge payers

EITHER

A crossed cheque or postal order made out to HM Courts and Tribunal Service for the application fee of £110 (if applicable) is enclosed. **Please write your name and address on the back of the cheque or postal order. Please also send a paper copy of your application with your cheque or postal order, regardless of whether you have already emailed the application.**

OR

You have ticked the box at the top of this form to say you want the relevant regional tribunal office to send you details on how to pay the application fee of £110 by on-line banking. **The unique payment reference the tribunal office supplies MUST be used when making your on-line banking payment.**

DO NOT send cash under any circumstances. Cash payment will not be accepted.

Please note where there is to be a hearing, a fee of £220 will become payable by you when you receive notice of the hearing date.

Help with Fees

If you think you may be entitled to a reduced fee, the guide EX160A 'Apply for help with court, tribunal and

Leasehold 5 Application for the dispensation of all or any of the consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985 (05.24)

probate fees' outlines how you can submit an application for Help with Fees.

You can submit your Help with Fees application online at www.gov.uk/help-with-court-fees or by completing the form EX160 'Apply for help with fees'. You can get a copy of the 'Apply for help with fees' form online at www.gov.uk/government/publications/apply-for-help-with-court-and-tribunal-fees or from your regional tribunal office.

If you have completed an online application for Help with Fees please enter the reference number you have been given here.

H	W	F	-				-			
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If you have completed form EX160 "Apply for Help with Fees" it must be included with your application.

The 'Apply for help with fees' form will not be copied to other parties

14. STATEMENT OF TRUTH

The statement of truth must be signed and dated.

I believe that the facts stated in this application are true.

Signed: Andrew William Cusack **Dated:** 27 March 2025

GROUND FOR SEEKING DISPENSATION

Please use the space below to provide information mentioned in section 7 of this form.

You will be given an opportunity later to give further details of your case and to supply the Tribunal with any documents that support it. At this stage you should give a clear outline of your case so that the Tribunal understands what your application is about. Please continue on a separate sheet if necessary.

1. Describe the qualifying works or qualifying long-term agreement concerned, stating when the works were carried out or planned to be carried out or in the case of a long-term agreement, the date that agreement was entered into or the proposed date it is to be entered into.

Please see the attached Grounds

2. Describe the consultation that has been carried out or is proposed to be carried out.

Please see the attached Grounds

3. Explain why you seek dispensation of all or any of the consultation requirements.

Please see the attached Grounds

ANNEX: Addresses of Tribunal Regional Offices

NORTHERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, 1st Floor, Piccadilly Exchange, Piccadilly
Plaza, Manchester M1 4AH

Telephone: 01612 379491

Fax: 01264 785 128

Email address: RPNorthern@justice.gov.uk

This office covers the following Metropolitan districts: Barnsley, Bolton, Bradford, Bury, Calderdale, Doncaster, Gateshead, Kirklees, Knowsley, Leeds, Liverpool, Manchester, Newcastle-upon-Tyne, Oldham, Rochdale, Rotherham, St. Helens, Salford, Sefton, Sheffield, Stockport, Sunderland, Tameside, Trafford, Tyneside (North & South), Wakefield, Wigan and Wirral.

It also covers the following unitary authorities: Hartlepool, Middlesbrough, Redcar and Cleveland, Darlington, Halton, Blackburn with Darwen, Blackpool, Kingston-upon-Hull, East Riding of Yorkshire, Northeast Lincolnshire, North Lincolnshire, Stockton-on-Tees, Warrington and York.

It also covers the following Counties: Cumbria, Durham, East Cheshire, Lancashire, Lincolnshire, Northumberland, North Yorkshire and West Cheshire.

MIDLAND REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Centre City Tower, 5-7 Hill Street,
Birmingham, B5 4UU

Telephone: 0121 600 7888

Fax: 01264 785 122

Email address: RPMidland@justice.gov.uk

This office covers the following Metropolitan districts: Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton.

It also covers the following unitary authorities: Derby, Leicester, Rutland, Nottingham, Herefordshire, Telford and Wrekin and Stoke-on-Trent.

It also covers the following Counties: Derbyshire, Leicestershire, Nottinghamshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

EASTERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Cambridge County Court, 197 East Road
Cambridge, CB1 1BA

Telephone: 01223 841 524

Fax: 01264 785 129

Email address: RPEastern@justice.gov.uk

DX 97650 Cambridge 3

This office covers the following unitary authorities: Bracknell Forest, West Berkshire, Reading, Slough, Windsor and Maidenhead, Wokingham, Luton, Peterborough, Milton Keynes, Southend-on-Sea and Thurrock.

It also covers the following Counties: Bedfordshire, Berkshire, Buckinghamshire, Cambridgeshire, Essex, Hertfordshire, Norfolk, Northamptonshire, Oxfordshire and Suffolk.

SOUTHERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Havant Justice Centre, The Court House,
Elmleigh Road, Havant, Hants, PO9 2AL

Telephone: 01243 779 394

Fax: 0870 7395 900

Email address: RPSouthern@justice.gov.uk

This office covers the following unitary authorities: Bath and Northeast Somerset, Bristol, North Somerset, South Gloucestershire, Bournemouth, Plymouth, Torbay, Poole, Swindon, Medway, Brighton

and Hove, Portsmouth, Southampton and the Isle of Wight.

It also covers the following Counties: Cornwall and the Isles of Scilly, Devon, Dorset, East Sussex, Gloucestershire, Hampshire, Kent, Somerset, Surrey, West Sussex and Wiltshire.

LONDON REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, 10 Alfred Place, London WC1E 7LR

Telephone: 020 7446 7700

Fax: 01264 785 060

Email address: London.RAP@justice.gov.uk

DX 134205 Tottenham Court Road 2

This office covers all the London boroughs.

The Ministry of Justice and HM Courts and Tribunals Service processes personal information about you in the context of tribunal proceedings.

For details of the standards we follow when processing your data, please visit the following address <https://www.gov.uk/government/organisations/hm-courts-and-tribunals-service/about/personal-information-charter>

To receive a paper copy of this privacy notice, please call 0300 123 1024/ Textphone 18001 0300 123 1024.

THE FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

**IN THE MATTER OF A DISPENSATION APPLICATION UNDER S.20ZA OF THE
LANDLORD AND TENANT ACT 1985**

B E T W E E N:

THE MAYOR AND COMMONALITY AND CITIZENS OF THE CITY OF LONDON

Applicant

– and –

**2,953 LONG LEASEHOLD PROPERTIES WHERE
THE CITY OF LONDON IS LANDLORD**

Respondents

GROUNDS FOR SEEKING DISPENSATION

INTRODUCTION

1. These Grounds are filed as part of, and in support of, the Applicant’s (“**the City**”) application for dispensation pursuant to s.20ZA of the Landlord and Tenant Act 1985 (“**the 1985 Act**”).
2. This particular application is concerned with retrospective dispensation in respect of a QLTA for the provision of temporary workers entered into by the City with Hays Specialist Recruitment Limited (“**Hays**”) on 13 April 2017 for a term of 4 years from 1 July 2017 (and subsequently extended) (“**the Hays Agreement**”).
3. A previous application for retrospective dispensation was made in respect of the Hays Agreement on 30 May 2023, however the City sought permission to withdraw that application so as to allow (1) the parties to engage in informal negotiations to resolve the dispute or narrow the issues in dispute, and (2) additional leaseholders to be brought into a future application under s.20ZA of the 1985 Act in the event that the matter could not be settled. The Tribunal consented to the application being withdrawn on 25 October 2023, and although one party

subsequently sought a Rule 13 costs order against the City, the Tribunal refused to make such an order.

4. Another application between the same parties and involving the same properties is being made alongside this application. That other application is concerned with retrospective dispensation in respect of a QLTA for the provision of temporary workers entered into in February 2025 (“**the Reed Agreement**”).
5. The City as a legal body is uniquely a corporation by prescription which also possesses local authority functions. The body exists irrespective of the City’s designation as a local authority by individual Acts of Parliament through which the statutory powers or functions of such an authority are conferred on it. As a corporation by prescription the City enjoys all the ordinary legal capacity of a natural person except in so far as restricted by statute or custom. As part of its statutory functions the City is a local housing authority under the Housing Act 1985. In this matter the City are acting as a local housing authority.
6. This application concerns 2,953 long leasehold properties as follows:
 - 6.1. 2014 leaseholders on the Barbican Estate. The Barbican Estate contains three Tower Blocks and nineteen Terrace Blocks, each of which are largely made up of residential units in accordance with the attached Schedule.
 - 6.2. 939 leaseholders on the HRA (Housing Revenue Account) Estates. There are twelve HRA Estates comprised of fifty-seven blocks in accordance with the attached Schedule.

BACKGROUND

7. The City provides the following services to the residents on the Barbican Estate:
 - 7.1. Lobby porter services (to the Tower Blocks only);
 - 7.2. Car park attendance/ concierge services (to the Terrace Blocks only);
 - 7.3. Cleaning services (to all Blocks); and

- 7.4. Supervision/ management services (to all Blocks).
8. The City also provides the following services to the residents on the HRA Estates:
- 8.1. Cleaning Services (to all Blocks); and
- 8.2. Gardening and Grounds (to all Blocks); and
- 8.3. Supervision/ management services (to all Blocks).
9. The costs incurred in providing those services are recharged to the residential long leaseholders pursuant to the service charge machinery found in the City’s standard lease. A copy of a sample lease for a flat on the Barbican Estate accompanies this application, which contains the following terms:
- 9.1. At Clause 1(viii) –
- “If during the term hereby granted in consequence of a decision of a Court of Law relating to any other flat house premises or building on the Barbican Estate ... that the Corporation might not be able to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof ... the Corporation and the tenant shall agree under seal such terms as are reasonable and give effect insofar as it may be lawful to do so to the general intention of the original parties hereto to replace such provision or part either wholly or in part or to enable the Corporation so to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof...”*
- 9.2. At Clause 4(4)(a) –
- “Pay a service charge of an amount in the manner and at the time hereinafter described”*
- 9.3. At Clause 4(4)(b) –
- ““the relevant costs” are the relevant parts of the eligible costs ...*

“the relevant parts of the eligible costs” are the aggregate of the amounts which are equal to where the eligible costs relate to matters set out in the part of the Fifth Schedule referred to as:-

Part I, - 100% of all eligible costs

Part II, - 100% of all attributable costs

Part III, - 85% of all attributable costs

Part IV, - 100% of all attributable costs

Part V, - 100% of all eligible costs

together in the case of any tower block with one third of the salary emoluments and wages of the lobby porters on the estate and expenses connected therewith

“the attributable costs” are 10.82 per cent of the eligible costs

“the eligible costs” means costs or estimated costs incurred or to be incurred in any accounting period ... upon or in connection with the matters set out in the Fifth Schedule hereto”

9.4. At Clause 5(2) –

“That so far as is practicable the Corporation will maintain the services to the premises set out in Parts I II and III of the Fifth Schedule hereto...”

9.5. At paragraph 4(a) of Part I of the Fifth Schedule –

“The redecoration refurnishing recarpeting and cleaning of the internal common parts of the Building ... as often as the Corporation may consider such work to be expedient”

9.6. At paragraph 5 of Part II of the Fifth Schedule –

“The maintenance in reasonable working order of the Garchey refuse system installed by the Corporation or the provision and maintenance of any alternative method for the collection of rubbish as the Corporation thinks fit from time to time”

9.7. At paragraph 8 of Part IV of the Fifth Schedule –

“The salary emoluments and wages together with any expenses connected therewith of

(a) the key porters

(b) the storekeepers

(c) the resident housekeepers

(d) resident engineers ...

(e) any other staff which the Corporation shall in its reasonable discretion employ from time to time”

9.8. At paragraph 9 of Part IV of the Fifth Schedule –

“The provision of refuse sacks for the collection of dry refuse”

9.9. At paragraph 10 of Part IV of the Fifth Schedule –

“All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liability or outgoings in relation to the estate”

9.10. At paragraph 11 of Part V of the Fifth Schedule –

“All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liability or outgoings in relation to the Building”

9.11. At paragraph 3 of the Sixth Schedule –

“The tenant will use any Garchey refuse system installed in the premises at any time for the disposal of any wet or putrescible refuse provided that any refuse that cannot pass

through the said system shall be disposed of in accordance with prior arrangement with and as directed by the Manager”

10. Save that the percentages for various contributions differ, and save that the final part of the definition of “*the relevant parts of the eligible costs*” (see paragraph 9.3 above) is omitted, the leases for properties on the HRA Estates are in materially identical form.
11. Further, those services are usually provided to the leaseholders by full time employees of the City.
12. However, the City, when required, also engages temporary agency workers to provide those services, for example when the City’s employees are on holiday or are on sick leave, or when a particular role/vacancy cannot be filled by an employed member of staff.
13. From 1 July 2017, those agency workers were engaged pursuant to the provisions of the Hays Agreement. The City did not consult its long leaseholders as required by s.20 of the 1985 Act before entering into that QLTA, and hence the need for retrospective dispensation. This is required to ensure that the City is not limited to recovering £100 per unit per year, and if such a limitation did apply there would be significant financial and operational repercussions for the City.
14. The failure of the City to consult the long leaseholders came about because the City did not appreciate that the Hays Agreement was a QLTA and therefore did not appreciate that consultation was required. That was primarily because of the complexity of the Hays Agreement (which covers not just the Barbican and HRA Estates but also the rest of the City’s departments including, for example, the Guildhall School of Music & Drama), the overall costs involved, and the complexity in reconciling those costs and the sums payable by each leaseholder for the services provided under the Hays Agreement. It was not, therefore, immediately apparent that the £100 cost threshold for each unit had been crossed; this was an innocent mistake.
15. In any event, the Hays Agreement is coming to an end on 30 June 2025 as the City has not decided to renew it for a further period. However, the need for temporary agency workers remains. To that end, the City has now entered into from February 2025 a new QLTA for the

engagement of those workers from July 2025 onwards (the Reed Agreement) and has made the separate application for retrospective dispensation in relation to the Reed Agreement.

THE RESPONDENTS

16. The Respondents are each of the City's long leaseholders on the Barbican Estate and the HRA Estates. There are various recognised tenants' associations, details of which (in accordance with Section 6 of the application form) are as follows:

Barbican Estate

16.1. The Barbican Association

Roy Sully (Secretary)

Address: 253 Shakespeare Tower, London EC2Y 8DR

Telephone: [REDACTED]

Email: [REDACTED]

16.2. Lauderdale Tower

Alberto Garciga (Secretary)

Address: Flat 151 Lauderdale Tower, Barbican, London EC2Y 8BY

Telephone: [REDACTED]

Email: [REDACTED]

16.3. Shakespeare Tower

Dr Alexander Wilson

Address: 52 Shakespeare Tower, Barbican, London EC2Y 8DR

Telephone: [REDACTED]

Email: [REDACTED]

16.4. Andrewes House

Lionel Meyringer (Secretary)

Address: 48 Andrewes House, London EC2Y 8AX

Email: [REDACTED]

16.5. Ben Jonson House

Wendy Spurry (Secretary)

Address: 344 Ben Jonson House, Barbican, London EC2Y 8NQ

Telephone: [REDACTED]

Email address: [REDACTED]

16.6. Breton House

Fred Rodgers (Chair)

Address: 100 Breton House, Barbican, London EC2Y 8PQ

Tel: [REDACTED]

Mob: [REDACTED]

Email: [REDACTED]

16.7. Bunyon Court

Derek Penney (Chair)

Telephone: [REDACTED]

Email: [REDACTED]

16.8. Defoe House

Helen Clifford (Secretary)

Address: 15 Defoe House, Barbican, London EC2Y 8DN

Telephone: [REDACTED]

Email address: [REDACTED]

16.9. John Trundle Court

Helen Hudson (Secretary)

Email: [REDACTED]

16.10.Lambert Jones Mews

Dr Richard Collins

Address: 4 Lambert Jones Mews, Barbican, London EC2Y 8DP

Telephone: [REDACTED]

Email: [REDACTED]

16.11.Seddon House

Jane Smith (Chair)

Address: 307 Seddon House, Barbican, London EC2Y 8BX

Telephone: [REDACTED]

Email: [REDACTED]

16.12.Speed House

Frits van Kempen (Secretary)

Address: 26 Speed House, Silk Street, Barbican, London EC2Y 8AT

Telephone: [REDACTED]

Email: [REDACTED]

16.13.Thomas More House

Brenda Szlesinger (Chair)

Email: [REDACTED]

16.14. Wallside

Mary Bonar (Secretary and Chairman)

Address: 6 Wallside, Barbican, London EC2Y 8BH

Telephone: [REDACTED]

Email: [REDACTED]

Housing Revenue Account (HRA)

16.15. The Golden Lane Residents' Association

Tim Godsmark (Secretary)

Address: 23 Hatfield House, Golden Lane Estate, London EC1Y 0ST

Telephone: [REDACTED]

Email: [REDACTED]

16.22. The Middlesex Street Residents' Association

Roger Way (Secretary)

Address: 18a Petticoat Tower, Middlesex Street, London E1 7EF

Telephone: [REDACTED]

Email: [REDACTED]

GROUNDS FOR THE APPLICATION

Details of the QLTA

17. The key details of the Hays Agreement are set out above. The Hays Agreement operates in the following way:

17.1. If the City's permanent staff cannot cover their colleagues' shifts that are left open by leave/sickness, or if there is a vacant position that cannot be filled by a full-time employee, the City will need to call upon Hays' pool of agency staff. Alternately, if Hays are unable to supply staff, then Hays have the option, but not the obligation, to call upon their supply chain to fill a role.

- 17.2. The City procures temporary workers via the 3SS portal (Hays' website).
 - 17.3. Once the City engages a temporary worker, it will raise the order with a standard period of 3 months, again on the 3SS portal.
 - 17.4. This pool of staff is only paid for the shifts that they cover (i.e. if they don't do any shifts in a particular week, they don't get paid for that week).
 - 17.5. The temporary workers are engaged by Hays (not the City) under the Hays Agreement.
 - 17.6. The City is invoiced for the temporary worker services by Hays and then pays Hays directly.
 - 17.7. No payment is made direct between the City and the temporary workers.
 - 17.8. There is no separate employment contract between the City and any temporary worker.
18. The Hays Agreement was procured as a mini-competition under the Eastern Shires Purchasing Organisation framework agreement, and the following is a summary of the steps taken by the City before it decided to enter into the Hays Agreement:
- 18.1. The City had a Procurement Code in place that governed procurement for the period of 2015-2018.
 - 18.2. On 23 September 2016, the City sent out invitations to tender for the provision of temporary workers, with a submission deadline of 24 October 2016.
 - 18.3. Five companies submitted tenders, each of which were reviewed by the City.
 - 18.4. The City's Finance Committee produced a report evaluating the five tenders, which concluded that Hays was the most economically advantageous tender (both in terms of price and service). It therefore recommended that an agreement was entered into with Hays.

19. Attached to this application is a table showing the charges incurred under the Hays Agreement for the relevant years. This also demonstrates the amounts incurred over and above the £100 threshold for each unit.

The consultation that has been carried out to date

20. The City accepts that it did not consult with the affected leaseholders before entering into the Hays Agreement. However, because of the nature of a framework agreement under which the Hays Agreement was procured, it was never possible to comply with the consultation requirements; such agreements do not fall squarely within any of the Schedules to the Service Charge (Consultation Requirements) (England) Regulations 2003.

21. Notwithstanding the foregoing, the City has taken steps after its first dispensation application was withdrawn (see paragraph 3 above) to explain the position to its leaseholders as it hoped to avoid/ minimise any dispute over the grant of dispensation:

21.1. On 3 May 2024, the City held a without prejudice meeting with affected leaseholders. Given its without prejudice nature, details cannot be given of what was discussed during that meeting. Although leaseholders from the Barbican and HRA Estates were invited to join the call, the City was informed during the call that not all lessees on the HRA Estates had received that invitation.

21.2. A further without prejudice meeting was held with affected leaseholders on 2 July 2024.

Explanation for why dispensation is sought

22. Dispensation is sought for the following reasons:

22.1. It is not possible to comply with the consultation requirements (see paragraph 20 above), such that a failure to comply does not prejudice the affected leaseholders.

22.2. The City considers that the Hays Agreement represented, and represents, the best value for money for the services provided –

- 22.2.1. As set out above, that was the conclusion of the tender exercise carried out prior to the Hays Agreement being entered into. There will always be a need for the provision of temporary workers, and the City required someone to provide those services.
- 22.2.2. The cost of an individual agency worker is generally cheaper than the cost of a full-time employee. As agency workers will be instructed where a full-time employee is not available, the overall cost of agency workers will be reasonable.
- 22.2.3. Hays has a large pool of available agency workers and has experience in providing the same. They also have the necessary technological infrastructure to facilitate and support the City's needs. This ensured that it is possible to fill vacancies at short notice, that the workers had the proper expertise/ training, and that the costs of providing those workers was reasonable.
- 22.2.4. The actual costs of the temporary workers to be engaged under the Hays Agreement beyond the base cost of the workers themselves are set out in the attached Schedule.
- 22.3. Entering into the Hays Agreement was the best way for the City to manage the need for temporary workers. Given the size of the Barbican and HRA Estates, it was not practicable for the City itself to engage individual workers directly whenever there was a vacancy, nor was it cost effective for the City to undertake that role. The City considers that Hays was best placed to ensure that workers are placed efficiently and that the needs of the City and the leaseholders are met.
- 22.4. The City has considered the representations made by the leaseholders in respect of the Hays Agreement (whether made as part of the previous dispensation application or otherwise). The City nevertheless still considers that the Hays Agreement was and is the best option for all those concerned.
- 22.5. In an application brought by an individual leaseholder on the Barbican Estate under s.27A of the 1985 Act, the Tribunal considered that the vast majority of the costs

incurred under the Hays Agreement were reasonable. The only reduction made was to estimated costs for cleaners for the 2023-2024 service charge year.

22.6. Accordingly, not only did the Hays Agreement not prejudice leaseholders but it actively benefited them, and the services provided/ costs incurred were reasonable.

23. Furthermore, and for the reasons given above, dispensation should be granted on an unconditional basis. No prejudice has been suffered by the Respondents, let alone any prejudice that requires the Respondents be compensated in some (unidentified) way.

24. Alternatively, and without prejudice to the foregoing, if any conditions are imposed on the grant of dispensation, then they should be limited to reflect the Tribunal's findings referred to at paragraph 22.5 above.

DETERMINATION OF THE APPLICATION

25. This application and the application for retrospective dispensation in relation to the Reed Agreement are deeply connected, and the City therefore considers that the two matters should be case managed together.

26. Furthermore, given the history of the matter and the fact that the Tribunal will be dealing with two connected applications, the City considers it appropriate for the applications to be dealt with at a hearing rather than on the papers.

CONCLUSION

27. In light of the foregoing, the Tribunal is asked to allow the application and grant unconditional dispensation.

EDWARD BLAKENEY

STATEMENT OF TRUTH

The Applicant believes that the facts stated in these Grounds are true and I am duly authorised to sign on their behalf. The Applicant understands that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.



Signed:

Name: ANDREW WILLIAM CUSACK

Dated this 27th day of March 2025

SCHEDULE - BARBICAN ESTATE

Estate	Block	Leasehold Flats
Barbican	Andrewes House	190
	Ben Jonson House	198
	Brandon Mews	24
	Breton House	110
	Bryer Court	55
	Bunyan Court	68
	Cromwell Tower	103
	Defoe House	175
	Frobisher Crescent	69
	Gilbert House	87
	John Trundle Court	133
	Lambert Jones Mews	8
	Lauderdale Tower	114
	Mountjoy House	63
	Seddon House	74
	Shakespeare Tower	113
	Speed House	109
	The Postern	8
	Thomas More House	164
	Wallside	1
	Willoughby House	147
	60 Aldersgate St	1
Barbican Blocks: 22		Barbican Leaseholders: 2014

SCHEDULE - HRA ESTATES

Estate	Block	Leasehold Flats
Avondale Square	Avondale House	14
	Brettinghurst	7
	Centre Point	9
	Colechurch House	5
	East Point	6
	Eric Wilkins House	8
	G. Elliston House	7
	Longland Court	26
	Proctor House	12
	Tovy House	12
	West Point	10
	Tevtree	0
	12	116
Dron House	Dron House	37
	1	37
Golden Lane	Basterfield House	32
	Bayer House	16
	Bowater House	16
	Crescent House	68
	Cullum Welch House	35
	Cuthbert Harrowing	7
	Great Arthur House	49
	Hatfield House	34
	Stanley Cohen	17
	9	274
Holloway	Barnesbury House	7
	Bunning House	10
	Crayford House	5
	Fairweather House	17
	Hilton House	15
	McMorran House	4
	Whitby Court	22
7	76	
Isleden House	Isleden House	7
	1	7
Middlesex Street	Petticoat Square	37
	Petticoat Tower	31
	2	68
Southwark	Bazeley House	14
	Collinson Court	26
	Great Suffolk Street	7
	Markstone House	12
	Pakeman House	19
	Stopher House	12
	Sumner Buildings	47
	7	137
Sydenham Hill	Lammas Green Flats	15
	Lammas Green House	18
	Otto Close	8
	Otto Close	12
4	53	
William Blake	William Blake House	21
	Donnelly House	2
	Lynton Mansions	14
	Mcauley Close	8
	St James Mansions	1
	York House	4
6	50	
Windsor House	Windsor House	32
	1	32
York Way	Kinefold House	15
	Lambfold House	13
	Penfields House	26
	Shepherd House	17
	4	71
Spitalfields	Brushfield St	6
	Commercial St	7
	Lamb St	5
	3	18

HRA Estates: 12

HRA Blocks: 57

HRA Leaseholders: 939

BARBICAN ESTATE - Charges incurred under the Hays Agreement in the relevant years

	17/18	18/19	19/20	20/21	21/22	22/23	23/24 (Estimated)	
Lobby Porters	58,118	22,640	36,738	115,153	57,339	50,281	95,237	
Car Park Attendants	33,186	56,401	32,757	46,985	41,959	78,771	102,912	
Cleaners	77,308	89,414	247,112	289,452	201,954	255,040	472,337	(see comment below)
Supervision & Management	11,232	52,798	76,732	90,698	97,153	73,075	141,850	
<i>Total</i>	<i>179,844</i>	<i>221,253</i>	<i>393,339</i>	<i>542,288</i>	<i>398,405</i>	<i>457,167</i>	<i>812,336</i>	<i>3,004,632</i>
Over £100 per LH	35,500	28,304	178,782	320,375	183,154	231,165	577,145	1,554,425

HRA ESTATES - Charges incurred under the Hays Agreement in the relevant years

	17/18	18/19	19/20	20/21	21/22	22/23	23/24	
Cleaners	41,745.15	60,612.50	103,484.43	161,284.53	249,294.39	440,853.02	118,615.68	
Gardening & Grounds	0.00	0.00	0.00	28,203.06	37,137.28	0.00	4,527	
Supervision & Management	8,254.69	19,037.69	33,564.47	39,408.44	59,155.52	74,843.75	108,818.34	
<i>Total</i>	<i>49,999.84</i>	<i>79,650.19</i>	<i>137,048.90</i>	<i>228,896.03</i>	<i>345,587.19</i>	<i>515,696.77</i>	<i>231,961.02</i>	<i>1,588,839.94</i>
Over £100 per LH	0	1,480.77	19,349.38	78,997.47	174,729.86	305,186.09	83,970.47	663,714.04

* 23/24 Cleaners cost for Barbican Estate - to be capped at £300k as per para 51 of decision in Tribunal reference LON/00/00AA/LSC/2024/0018 (Tomkins v City)

Schedule of actual costs of temporary workers under the Hays Agreement - Supplied Via Hays

Job Title	Job Category	Grade	Basic Rate	Working Time Regs	Worker Pay	Employer Contributions %			Employer Contributions £			Worker Cost Ex Fee	Agency Fee	MSP Fee	ESPO Framework Rebate	Total Cost Excl VAT
						ENIC*	Pensions	Levy	ENIC*	Pensions	Levy					
General Cleaning Operative	Manual Labour	Grade B	£17.05	£2.48	£19.53	10.50%	2.40%	0.50%	£2.05	£0.47	£0.10	£22.15	£0.68	£0.00	£0.01	£22.84
Concierge - Barbican Estate	Building Services & Maintenance	Grade B	£17.77	£2.15	£19.92	10.50%	2.40%	0.50%	£2.09	£0.48	£0.10	£22.59	£2.80	£0.00	£0.01	£25.40
Estates Manager	Interims	Grade D	£23.91	£3.64	£27.55	11.60%	2.40%	0.50%	£3.20	£0.66	£0.14	£31.54	£3.35	£0.00	£0.01	£34.90

*ENIC Contributions are based on 24/25 rates. All other figures are from 2023/2024.

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Application for the dispensation of all or any of the consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985

Section 20ZA of the Landlord and Tenant Act 1985

It is important that you read the notes below carefully before you complete this form.

This is the correct form to use if you want to ask the Tribunal to dispense with all or any of the consultation requirements set out in section 20 of the Landlord and Tenant Act 1985 and in the Service Charges (Consultation Requirements)(England) Regulations 2003.

A fee is payable for this application (see section 13 for Help with Fees).

Applications should be sent as a Microsoft Word document by **email** to the relevant regional tribunal address shown in the Annex to this form. You must also send by email **the documents listed in section 13 of this form**. If you cannot access email or find someone to assist you in lodging your application by email, then a paper application will be acceptable although there may be a delay in dealing with this. Sending an application on paper will not be suitable in urgent cases.

You can now pay the **the fee (if applicable) by an on-line banking payment or by cheque/postal order enclosed with the application form.**

If you want to be sent online banking payment details by email, please tick this box

Please make sure a copy of the application is served on the other party/parties to the application. If you are unable to serve a copy on the other party/parties, please bring this to the tribunal's attention in the covering email or if sending by post in a covering letter.

Please do not send any other documents. When further evidence is needed, you will be asked to send it in separately.

If you have any questions about how to fill in this form, the fee payable, or the procedures the Tribunal will use please contact the appropriate regional office.

If you are completing this form by hand please use **BLOCK CAPITAL LETTERS**.

1. DETAILS OF APPLICANT(S) (if there are multiple applicants please continue on a separate sheet)

Name:

Capacity:

Address (including postcode):

Address for correspondence (if different from above):

Telephone:

Day: Evening: Mobile:

Email address: Fax:

Representative name and address, and other contact details: Where details of a representative have been given, all correspondence and communications will be with them until the Tribunal is notified that they are no longer acting for you.

Name:

Reference no. (if any)

Address (including postcode):

Telephone:

Day: Mobile:

Email address: Fax:

2. ADDRESS (including postcode) of SUBJECT PROPERTY (if not already given)

The application is in respect of all long leasehold properties where the City of London Corporation is the Landlord and lessees are affected by the nature of the application and the supply of temporary worker services under the QLTA in question. That is 2,953 leaseholders as follows:
Long leasehold properties on the Barbican Estate: 2,014
Long leasehold properties on the HRA (Housing Revenue Account) Estates: 939

3. DETAILS OF RESPONDENT (S) the person against whom an applicant seeks determination from the tribunal – this will only be the landlord’s managing agent if they are a party to the lease. If there are multiple respondents, please continue on a separate sheet.

Name:

Capacity

Address (including postcode):

Reference no. for correspondence (if any)

Address for correspondence (if different from above):

Telephone:

Day: Evening: Mobile:

Email address: Fax:

Note: If this is an application by a landlord, then usually all tenants liable to pay a service charge for the costs in question should be joined as respondents. If tenants are not joined in this way, the landlord should provide the Tribunal with a list of the names and addresses of service charge payers. If this is not possible or is impractical, then a written explanation must be provided with this application.

If you are the landlord/management company making the application please omit, if known, the telephone/fax numbers and email address of the respondent(s) when completing Box 4 and include them on a separate sheet. This is because the application form may be copied by the tribunal to other appropriate persons (e.g. other service charge paying leaseholders in the building or development).

4. BRIEF DESCRIPTION OF BUILDING (e.g.2 bedroom flat in purpose built block of 12 flats)

22 residential blocks located at the Barbican Estate, London EC2, which are comprised of residential flats in purpose built blocks.

57 residential blocks forming part of the City of London's HRA Estates, which are comprised of residential flats in purpose built blocks.

For a list of the relevant blocks on the Barbican Estate and HRA Estates see the "Schedule - Barbican Estate" and "Schedule - HRA Estates" attached to the Grounds to this application.

5. DETAILS OF LANDLORD (if not already given)

Name:

Address (including postcode):

Reference no. for correspondence (if any)

Telephone:

Day:

Evening:

Mobile:

Email address:

Fax:

6. DETAILS OF ANY RECOGNISED TENANTS' ASSOCIATION (if known)

Name of Secretary

Address (including postcode):

Telephone:

Day:

Evening:

Mobile:

Email address:

Fax:

7. DISPENSATION SOUGHT

Applicants may seek a dispensation of all or any of the consultation requirements in respect of either qualifying works or long-term agreements.

Does the application concern qualifying works?

Yes No

If Yes, have the works started/been carried out?

Yes No

Does the application concern a qualifying long-term agreement?

Yes No

If Yes, has the agreement already been entered into?

Yes No

For each set of qualifying works and/or qualifying long-term agreements please

complete one of the sheets of paper entitled '**GROUNDS FOR SEEKING DISPENSATION**'

8. OTHER APPLICATIONS

Do you know of any other cases involving either: (a) related or similar issues about the management of this property; or (b) the same landlord or tenant or property as in this application? Yes No

If Yes, please give details

A previous application concerning an earlier QLTA and the Barbican Estate was made on 30 May 2023 and subsequently withdrawn on 25 October 2023 (Case Reference LON/00AA/LDC/2023/0183).

A separate application for retrospective dispensation in respect of that earlier QLTA is being made alongside this application.

An individual leaseholder has challenged service charges on the Barbican Estate, which also concerned the earlier QLTA (Case Reference LON/00AA/LSC/2024/0018). This was determined on 1 August 2024, and the leaseholder has sought permission to appeal.

9. CAN WE DEAL WITH YOUR APPLICATION WITHOUT A HEARING?

If the Tribunal thinks it is appropriate, and all the parties and others notified of their right to attend a hearing consent, it is possible for your application to be dealt with entirely on the basis of written representations and documents and without the need for parties to attend and make oral representations. ('A paper determination').

Please let us know if you would be content with a paper determination if the Tribunal thinks it appropriate. Yes No

Note: Even if you have asked for a paper determination the Tribunal may decide that a hearing is necessary. Please complete the remainder of this form on the assumption that a hearing will be held. Where there is to be a hearing, a fee of £220 will become payable by you when you receive notice of the hearing date.

10. TRACK PREFERENCES

We need to decide whether to deal with the case on the Fast Track or the Standard Track (see Guidance Note for an explanation of what a track is). Please let us know which track you think appropriate for this case. Fast Track Standard Track

Is there any special reason for urgency in this case? Yes No

If Yes, please explain how urgent it is and why:

Note

The Tribunal will normally deal with a case in one of three ways: on paper (see section 10 above) or 'fast track' or 'standard track'. The fast track is designed for cases that need a hearing but are very simple and will not generate a great deal of paperwork or argument. A fast track case will usually be heard within 10 weeks of your application. You should indicate here if you think your case is very simple and can be easily dealt with. The standard track is designed for more complicated cases where there may be numerous issues to be decided or where for example, a lot of documentation is involved. A standard track case may involve the parties being invited to a Case Management Conference which is a meeting at which the steps that need to be taken to bring the case to a final hearing can be discussed.

11. AVAILABILITY

If there are any dates or days we must avoid during the next four months (either for your convenience or the convenience of any expert you may wish to call) please list them here.

Please list the dates on which you will NOT be available:

Based on a hearing estimate of 2-3 days:

April 2025: 1-30 (inclusive)

May 2025: 1-30 (inclusive)

June 2025: 2-30 (inclusive)

July 2025: 1-25 (inclusive)

12. VENUE REQUIREMENTS

Please provide details of any special requirements you or anyone who will be coming with you may have (e.g. the use of a wheelchair and/or the presence of a translator):

None known

Applications handled by the London regional office are usually heard in Alfred Place, which is fully wheelchair accessible. Elsewhere, hearings are held in local venues which are not all so accessible and the case officers will find it useful to know if you or anyone you want to come to the hearing with you has any special requirements of this kind.

13. CHECKLIST

Please check that you have completed this form fully. The Tribunal will not process your application until this has been done. Please ensure that the following are enclosed with your application and tick the appropriate box to confirm:

A copy of the lease(s).

A statement that service charge payers have been named as respondents or a list of names and addressess of service charge payers

EITHER

A crossed cheque or postal order made out to HM Courts and Tribunal Service for the application fee of £110 (if applicable) is enclosed. **Please write your name and address on the back of the cheque or postal order. Please also send a paper copy of your application with your cheque or postal order, regardless of whether you have already emailed the application.**

OR

You have ticked the box at the top of this form to say you want the relevant regional tribunal office to send you details on how to pay the application fee of £110 by on-line banking. **The unique payment reference the tribunal office supplies MUST be used when making your on-line banking payment.**

DO NOT send cash under any circumstances. Cash payment will not be accepted.

Please note where there is to be a hearing, a fee of £220 will become payable by you when you receive notice of the hearing date.

Help with Fees

If you think you may be entitled to a reduced fee, the guide EX160A 'Apply for help with court, tribunal and

Leasehold 5 Application for the dispensation of all or any of the consultation requirements provided for by section 20 of the Landlord and Tenant Act 1985 (05.24)

probate fees' outlines how you can submit an application for Help with Fees.

You can submit your Help with Fees application online at www.gov.uk/help-with-court-fees or by completing the form EX160 'Apply for help with fees'. You can get a copy of the 'Apply for help with fees' form online at www.gov.uk/government/publications/apply-for-help-with-court-and-tribunal-fees or from your regional tribunal office.

If you have completed an online application for Help with Fees please enter the reference number you have been given here.

H	W	F	-				-			
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If you have completed form EX160 "Apply for Help with Fees" it must be included with your application.

The 'Apply for help with fees' form will not be copied to other parties

14. STATEMENT OF TRUTH

The statement of truth must be signed and dated.

I believe that the facts stated in this application are true.

Signed: Andrew William Cusack **Dated:** 27 March 2025

GROUND FOR SEEKING DISPENSATION

Please use the space below to provide information mentioned in section 7 of this form.

You will be given an opportunity later to give further details of your case and to supply the Tribunal with any documents that support it. At this stage you should give a clear outline of your case so that the Tribunal understands what your application is about. Please continue on a separate sheet if necessary.

1. Describe the qualifying works or qualifying long-term agreement concerned, stating when the works were carried out or planned to be carried out or in the case of a long-term agreement, the date that agreement was entered into or the proposed date it is to be entered into.

Please see the attached Grounds

2. Describe the consultation that has been carried out or is proposed to be carried out.

Please see the attached Grounds

3. Explain why you seek dispensation of all or any of the consultation requirements.

Please see the attached Grounds

ANNEX: Addresses of Tribunal Regional Offices

NORTHERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, 1st Floor, Piccadilly Exchange,
Piccadilly Plaza, Manchester M1 4AH

Telephone: 01612 379491

Fax: 01264 785 128

Email address: RPNorthern@justice.gov.uk

This office covers the following Metropolitan districts: Barnsley, Bolton, Bradford, Bury, Calderdale, Doncaster, Gateshead, Kirklees, Knowsley, Leeds, Liverpool, Manchester, Newcastle-upon-Tyne, Oldham, Rochdale, Rotherham, St. Helens, Salford, Sefton, Sheffield, Stockport, Sunderland, Tameside, Trafford, Tyneside (North & South), Wakefield, Wigan and Wirral.

It also covers the following unitary authorities: Hartlepool, Middlesbrough, Redcar and Cleveland, Darlington, Halton, Blackburn with Darwen, Blackpool, Kingston-upon-Hull, East Riding of Yorkshire, Northeast Lincolnshire, North Lincolnshire, Stockton-on-Tees, Warrington and York.

It also covers the following Counties: Cumbria, Durham, East Cheshire, Lancashire, Lincolnshire, Northumberland, North Yorkshire and West Cheshire.

MIDLAND REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Centre City Tower, 5-7 Hill Street,
Birmingham, B5 4UU

Telephone: 0121 600 7888

Fax: 01264 785 122

Email address: RPMidland@justice.gov.uk

This office covers the following Metropolitan districts: Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton.

It also covers the following unitary authorities: Derby, Leicester, Rutland, Nottingham, Herefordshire, Telford and Wrekin and Stoke-on-Trent.

It also covers the following Counties: Derbyshire, Leicestershire, Nottinghamshire, Shropshire, Staffordshire, Warwickshire and Worcestershire.

EASTERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Cambridge County Court, 197 East Road
Cambridge, CB1 1BA

Telephone: 01223 841 524

Fax: 01264 785 129

Email address: RPEastern@justice.gov.uk

DX 97650 Cambridge 3

This office covers the following unitary authorities: Bracknell Forest, West Berkshire, Reading, Slough, Windsor and Maidenhead, Wokingham, Luton, Peterborough, Milton Keynes, Southend-on-Sea and Thurrock.

It also covers the following Counties: Bedfordshire, Berkshire, Buckinghamshire, Cambridgeshire, Essex, Hertfordshire, Norfolk, Northamptonshire, Oxfordshire and Suffolk.

SOUTHERN REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, Havant Justice Centre, The Court House,
Elmleigh Road, Havant, Hants, PO9 2AL

Telephone: 01243 779 394

Fax: 0870 7395 900

Email address: RPSouthern@justice.gov.uk

This office covers the following unitary authorities: Bath and Northeast Somerset, Bristol, North Somerset, South Gloucestershire, Bournemouth, Plymouth, Torbay, Poole, Swindon, Medway, Brighton and Hove, Portsmouth, Southampton and the Isle of Wight.

It also covers the following Counties: Cornwall and the Isles of Scilly, Devon, Dorset, East Sussex, Gloucestershire, Hampshire, Kent, Somerset, Surrey, West Sussex and Wiltshire.

LONDON REGION

HM Courts & Tribunals Service
First-tier Tribunal (Property Chamber) Residential
Property, 10 Alfred Place, London WC1E 7LR

Telephone: 020 7446 7700

Fax: 01264 785 060

Email address: London.RAP@justice.gov.uk

DX 134205 Tottenham Court Road 2

This office covers all the London boroughs.

The Ministry of Justice and HM Courts and Tribunals Service processes personal information about you in the context of tribunal proceedings.

For details of the standards we follow when processing your data, please visit the following address <https://www.gov.uk/government/organisations/hm-courts-and-tribunals-service/about/personal-information-charter>

To receive a paper copy of this privacy notice, please call 0300 123 1024/ Textphone 18001 0300 123 1024.

THE FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

**IN THE MATTER OF A DISPENSATION APPLICATION UNDER S.20ZA OF THE
LANDLORD AND TENANT ACT 1985**

B E T W E E N:

THE MAYOR AND COMMONALITY AND CITIZENS OF THE CITY OF LONDON

Applicant

– and –

**2,953 LONG LEASEHOLD PROPERTIES WHERE
THE CITY OF LONDON IS LANDLORD**

Respondents

GROUNDS FOR SEEKING DISPENSATION

INTRODUCTION

1. These Grounds are filed as part of, and in support of, the Applicant’s (“**the City**”) application for dispensation pursuant to s.20ZA of the Landlord and Tenant Act 1985 (“**the 1985 Act**”).
2. This particular application is concerned with retrospective dispensation in respect of a QLTA for the provision of temporary workers entered into by the City with Reed Specialist Recruitment Ltd on 19 February 2025 for an initial term of three years from 01 July 2025 (“**the Reed Agreement**”). Another application between the same parties and involving the same properties is being made alongside this application, albeit that other application is concerned with retrospective dispensation in respect of a QLTA for the provision of temporary workers entered into by the City with Hays Specialist Recruitment Limited on 13 April 2017 for a term of 4 years from 1 July 2017 (and subsequently extended) (“**the Hays Agreement**”).
3. The City as a legal body is uniquely a corporation by prescription which also possesses local authority functions. The body exists irrespective of the City’s designation as a local authority by individual Acts of Parliament through which the statutory powers or functions of such an

authority are conferred on it. As a corporation by prescription the City enjoys all the ordinary legal capacity of a natural person except in so far as restricted by statute or custom. As part of its statutory functions the City is a local housing authority under the Housing Act 1985. In this matter the City are acting as a local housing authority.

4. This application concerns 2,953 long leasehold properties as follows:
 - 4.1. 2014 leaseholders on the Barbican Estate. The Barbican Estate contains three Tower Blocks and nineteen Terrace Blocks, each of which are largely made up of residential units in accordance with the attached Schedule.
 - 4.2. 939 leaseholders on the HRA (Housing Revenue Account) Estates. There are twelve HRA Estates comprised of fifty-seven blocks in accordance with the attached Schedule.

BACKGROUND

5. The City provides the following services to the residents on the Barbican Estate:
 - 5.1. Lobby porter services (to the Tower Blocks only);
 - 5.2. Car park attendance/ concierge services (to the Terrace Blocks only);
 - 5.3. Cleaning services (to all Blocks); and
 - 5.4. Supervision/ management services (to all Blocks).
6. The City also provides the following services to the residents on the HRA Estates:
 - 6.1. Cleaning Services (to all Blocks); and
 - 6.2. Gardening and Grounds (to all Blocks); and
 - 6.3. Supervision/ management services (to all Blocks).
7. The costs incurred in providing those services are recharged to the residential long leaseholders pursuant to the service charge machinery found in the City's standard lease. A copy of a sample

lease for a flat on the Barbican Estate accompanies this application, which contains the following terms:

7.1. At Clause 1(viii) –

“If during the term hereby granted in consequence of a decision of a Court of Law relating to any other flat house premises or building on the Barbican Estate ... that the Corporation might not be able to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof ... the Corporation and the tenant shall agree under seal such terms as are reasonable and give effect insofar as it may be lawful to do so to the general intention of the original parties hereto to replace such provision or part either wholly or in part or to enable the Corporation so to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof”

7.2. At Clause 4(4)(a) –

“Pay a service charge of an amount in the manner and at the time hereinafter described”

7.3. At Clause 4(4)(b) –

““the relevant costs” are the relevant parts of the eligible costs ...

“the relevant parts of the eligible costs” are the aggregate of the amounts which are equal to where the eligible costs relate to matters set out in the part of the Fifth Schedule referred to as:-

Part I, - 100% of all eligible costs

Part II, - 100% of all attributable costs

Part III, - 85% of all attributable costs

Part IV, - 100% of all attributable costs

Part V, - 100% of all eligible costs

together in the case of any tower block with one third of the salary emoluments and wages of the lobby porters on the estate and expenses connected therewith

“the attributable costs” are 10.82 per cent of the eligible costs

“the eligible costs” means costs or estimated costs incurred or to be incurred in any accounting period ... upon or in connection with the matters set out in the Fifth Schedule hereto”

7.4. At Clause 5(2) –

“That so far as is practicable the Corporation will maintain the services to the premises set out in Parts I II and III of the Fifth Schedule hereto”

7.5. At paragraph 4(a) of Part I of the Fifth Schedule –

“The redecoration refurnishing recarpeting and cleaning of the internal common parts of the Building ... as often as the Corporation may consider such work to be expedient”

7.6. At paragraph 5 of Part II of the Fifth Schedule –

“The maintenance in reasonable working order of the Garchey refuse system installed by the Corporation or the provision and maintenance of any alternative method for the collection of rubbish as the Corporation thinks fit from time to time”

7.7. At paragraph 8 of Part IV of the Fifth Schedule –

“The salary emoluments and wages together with any expenses connected therewith of

(a) the key porters

(b) the storekeepers

(c) the resident housekeepers

(d) resident engineers ...

(e) any other staff which the Corporation shall in its reasonable discretion employ from time to time”

7.8. At paragraph 9 of Part IV of the Fifth Schedule –

“The provision of refuse sacks for the collection of dry refuse”

7.9. At paragraph 10 of Part IV of the Fifth Schedule –

“All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liability or outgoings in relation to the estate”

7.10. At paragraph 11 of Part V of the Fifth Schedule –

“All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liability or outgoings in relation to the Building”

7.11. At paragraph 3 of the Sixth Schedule –

“The tenant will use any Garchey refuse system installed in the premises at any time for the disposal of any wet or putrescible refuse provided that any refuse that cannot pass through the said system shall be disposed of in accordance with prior arrangement with and as directed by the Manager”

8. Save that the percentages for various contributions differ, and save that the final part of the definition of *“the relevant parts of the eligible costs”* (see paragraph 7.3 above) is omitted, the leases for properties on the HRA Estates are in materially identical form.
9. Further, those services are usually provided to the leaseholders by full time employees of the City.
10. However, the City, when required, also engages temporary agency workers to provide those services, for example when the City’s employees are on holiday or are on sick leave, or when a particular role/vacancy cannot be filled by an employed member of staff.

11. From 1 July 2017, those agency workers were engaged pursuant to the provisions of the Hays Agreement. The City did not consult its long leaseholders as required by s.20 of the 1985 Act before entering into that QLTA, and hence the need for the other application seeking retrospective dispensation.
12. The Hays Agreement is coming to an end in June 2025 as the City has not decided to renew it for a further period. However, the need for temporary agency workers remains. To that end, the City has entered into the Reed Agreement for the engagement of those workers. Temporary worker services will be provided to the City under the Reed Agreement from July 2025.
13. To ensure that costs to be incurred under the Reed Agreement will be fully recoverable if and when they exceed £100 per unit per year, the City now asks the Tribunal to grant retrospective dispensation from the need to comply with the consultation requirements.

THE RESPONDENTS

14. The Respondents are each of the City's long leaseholders on the Barbican Estate and the HRA Estates. There are various recognised tenants' associations, details of which (in accordance with Section 6 of the application form) are as follows:

Barbican Estate

- 14.1. The Barbican Association

Roy Sully (Secretary)

Address: 253 Shakespeare Tower, London EC2Y 8DR

Telephone: [REDACTED]

Email: [REDACTED]

- 14.2. Lauderdale Tower

Alberto Garciga (Secretary)

Address: Flat 151 Lauderdale Tower, Barbican, London EC2Y 8BY

Telephone: [REDACTED]

Email: [REDACTED]

14.3. Shakespeare Tower

Dr Alexander Wilson

Address: 52 Shakespeare Tower, Barbican, London EC2Y 8DR

Telephone: [REDACTED]

Email: [REDACTED]

14.4. Andrewes House

Lionel Meyringer (Secretary)

Address: [REDACTED]

Email: [REDACTED]

14.5. Ben Jonson House

Wendy Spurry (Secretary)

Address: 344 Ben Jonson House, Barbican, London EC2Y 8NQ

Telephone: [REDACTED]

Email address: [REDACTED]

14.6. Breton House

Fred Rodgers (Chair)

Address: 100 Breton House, Barbican, London EC2Y 8PQ

Tel: [REDACTED]

Mob: [REDACTED]

Email: [REDACTED]

14.7. Bunyon Court

Derek Penney (Chair)

Telephone: [REDACTED]

Email: [REDACTED]

14.8. Defoe House

Helen Clifford (Secretary)

Address: 15 Defoe House, Barbican, London EC2Y 8DN

Telephone: [REDACTED]

Email address: [REDACTED]

14.9. John Trundle Court

Helen Hudson (Secretary)

Email: [REDACTED]

14.10. Lambert Jones Mews

Dr Richard Collins

Address: 4 Lambert Jones Mews, Barbican, London EC2Y 8DP

Telephone: [REDACTED]

Email: [REDACTED]

14.11. Seddon House

Jane Smith (Chair)

Address: 307 Seddon House, Barbican, London EC2Y 8BX

Telephone: [REDACTED]

Email: [REDACTED]

14.12. Speed House

Frits van Kempen (Secretary)

Address: 26 Speed House, Silk Street, Barbican, London EC2Y 8AT

Telephone: [REDACTED]

Email: [REDACTED]

14.13. Thomas More House

Brenda Szlesinger (Chair)

Email: [REDACTED]

14.14. Wallside

Mary Bonar (Secretary and Chairman)

Address: 6 Wallside, Barbican, London EC2Y 8BH

Telephone: [REDACTED]

Email: [REDACTED]

Housing Revenue Account (HRA)

14.15. The Golden Lane Residents' Association

Tim Godsmark (Secretary)

Address: 23 Hatfield House, Golden Lane Estate, London EC1Y 0ST

Telephone: [REDACTED]

Email: [REDACTED]

14.16. The Middlesex Street Residents' Association

Roger Way (Secretary)

Address: 18a Petticoat Tower, Middlesex Street, London E1 7EF

Telephone: [REDACTED]

Email: [REDACTED]

GROUNDS FOR THE APPLICATION

Details of the QLTA

15. The City has already entered into the Reed Agreement and, a above, the services will be provided under the Reed Agreement from July 2025. The details of the Reed Agreement are:
- 15.1. If the City’s permanent staff cannot cover their colleagues’ shifts that are left open by leave/sickness, or if there is a vacant position that cannot be filled by a full-time employee, the City will need to call upon Reed’s pool of agency staff. Alternately, if Reed are unable to supply staff, then the City will be able to call upon Reed’s approved supply chain. For the relevant roles on housing estates under the Reed Agreement, the roles must go out to the supply chain after a short defined period (such as 24 hours).
 - 15.2. The City will procure temporary workers via Reed’s online portal created especially for the City for this agreement.
 - 15.3. This pool of staff is only paid for the shifts that they cover (i.e. if they don’t do any shifts in a particular week, they don’t get paid for that week).
 - 15.4. The temporary workers are engaged by Reed (not the City) under the Reed Agreement.
 - 15.5. The City is invoiced for the temporary worker services by Reed and then pays Reed directly.
 - 15.6. No payment is made direct between the City and the temporary workers.
 - 15.7. There is no separate employment contract between the City and any temporary worker.
16. The Reed Agreement was procured as a mini-competition under the Eastern Shires Purchasing Organisation framework agreement, and the following is a summary of the key steps taken by the City when procuring the Reed Agreement:

Pre-Tender Stage

<i>Activity</i>	<i>Start date</i>	<i>End date</i>
Defining and engaging stakeholders	08/02/2023	09/05/2023
Creating procurement project plan with milestones	13/06/2023	25/07/2023
Developing procurement options report including route to market	22/01/2024	08/03/2024

Category Board	14/03/2024	14/03/2024
Corporate Services Committee	10/04/2024	10/04/2024
Committee - OPP – Stage 1 report	15/04/2024	15/04/2024
Committee - Finance - Stage 1 report	07/05/2024	07/05/2024
Committee - City Bridge Foundation Board - Stage 1 report	16/05/2024	16/05/2024
Creating technical specification	15/08/2023	07/05/2024
Creating commercial specification	15/08/2023	07/05/2024
Co-ordinating T&Cs; Finance and Insurance requirements	13/06/2023	26/02/2024
Framework Due Diligence	18/12/2023	22/01/2024
Define H&S requirements	15/08/2023	07/05/2024
Developing technical questions and KPI's	15/08/2023	07/05/2024

Tender Stage (mini competition via Framework)

<i>Activity</i>	<i>Start date</i>	<i>End date</i>
Clarification period	17/05/2024	07/06/2024
Specification - briefing	27/05/2024	27/05/2024
Training for evaluators	27/05/2024	03/06/2024
Validating tender returns	01/07/2024	01/07/2024
Individual evaluations	01/07/2024	15/07/2024
Leading Commercial evaluation	01/07/2024	15/07/2024
Moderation	16/07/2024	17/07/2024

Post Tender Stage

<i>Activity</i>	<i>Start date</i>	<i>End date</i>
Category Board	06/08/2024	06/08/2024
Committee - City Bridge Foundation Board - Stage 2 report	19/09/2024	19/09/2024
Committee - PPSC - Stage 2 report	23/09/2024	23/09/2024
Committee - Finance - Stage 2 report	24/09/2024	24/09/2024
Committee - COCO – Stage 2 report	10/10/2024	10/10/2024
Contract Award	10/10/2024	10/10/2024
Standstill period	10/10/2024	21/10/2024

Contract Execution	19/02/2025	19/02/2025
Mobilisation including Key Management Information and Communications Plan	01/01/2025	01/07/2025
Go live date	30/06/2025	30/06/2025

17. Just as with the Hays Agreement, the Reed Agreement was entered into pursuant to a framework agreement. The process of engaging workers under the Reed Agreement will be the same as under the Hays Agreement. That is, the City will make a request to the company and the company engage the worker directly.

18. The City expects the costs incurred under the Reed Agreement to be broadly in line with the costs incurred under the Hays Agreement.

The consultation that has been carried out to date

19. Because of the nature of a framework agreement, it is not possible to comply with the consultation requirements; such agreements do not fall squarely within any of the Schedules to the Service Charge (Consultation Requirements) (England) Regulations 2003.

20. Notwithstanding that impossibility, the City has taken steps to consult with the affected leaseholders and inform them of the City's intention to enter into a new QLTA:

20.1. On 3 May 2024, the City held a without prejudice meeting with affected leaseholders. Given its without prejudice nature, details cannot be given of what was discussed during that meeting. Although leaseholders from the Barbican and HRA Estates were invited to join the call, the City was informed during the call that not all lessees on the HRA Estates had received that invitation.

20.2. A Notice of Intention was sent to HRA leaseholders on 12 June 2024.

20.3. A Notice of Intention and cover letter were sent to Barbican leaseholders on 24 June 2024.

20.4. A further without prejudice meeting was held with affected leaseholders on 2 July 2024.

20.5. Following the City's Notice of Intention referred to above, the City received only three responses from Barbican leaseholders. Daniel Sanders, the City's Assistant Director for the Barbican Estates, answered the queries that were raised by Barbican leaseholders.

20.6. Following the City's Notice of Intention referred to above, the City received only one response from HRA leaseholders. Nazia Noman, the City's Home Ownership Manager for the HRA Estates, answered the queries that were raised by the HRA leaseholder.

21. Copies of the documents referred to above are attached to this application.

Explanation for why dispensation is sought

22. Dispensation is sought for the following reasons:

22.1. It is not possible to comply with the consultation requirements (see paragraph 19 above), such that a failure to comply does not prejudice the affected leaseholders.

22.2. The City considers that the proposed QLTA presents the best value for money –

22.2.1. The cost of an individual agency worker is generally cheaper than the cost of a full-time employee. As agency workers will be instructed where a full-time employee is not available, the overall cost of agency workers will be reasonable.

22.2.2. Reed Specialist Recruitment Ltd has a large pool of available agency workers and has experience in providing the same. They also have the necessary technological infrastructure to facilitate and support the City's needs. This will ensure that it is possible to fill vacancies at short notice, that the workers have the proper expertise/ training, and that the costs of providing those workers are reasonable. The new Reed Agreement will allow the City's Hiring Manager to directly approach Reed or, alternately, have Reed provide access to the supply chain in the event that Reed is unable to fill a role.

22.2.3. The actual costs of the temporary workers to be engaged under the Reed Agreement beyond the base cost of the workers themselves are set out in the

attached Schedules. The first of these Schedules breaks down the cost of temporary workers when supplied direct by Reed. The second of these Schedules breaks down the cost of temporary workers when supplied via the Reed supply chain.

- 22.3. Entering into a QLTA such as that proposed by the City is the best way for the City to manage the need for temporary workers. Given the size of the Barbican and HRA Estates, it would not be practicable for the City themselves to engage individual workers directly whenever there was a vacancy, nor would it be cost effective for the City to undertake that role. The City considers that Reed Specialist Recruitment Ltd will provide the best service and ensure that workers are placed efficiently and that the needs of the City and the leaseholders are met.
- 22.4. There will always be a need for the provision of temporary workers. The City has undertaken the steps referred to at paragraph 16 above and is confident that the best party for arranging the provision of those temporary workers is Reed Specialist Recruitment Ltd.
- 22.5. The City has considered the representations made by the leaseholders as referred to at paragraphs 20.5 and 20.6 above. The City nevertheless still considers that the proposed QLTA is the best option for all those concerned. The City will continue to be involved with the QLTA and maintain oversight to ensure that this remains the case and that the QLTA is properly managed.
- 22.6. Accordingly, not only will the QLTA not prejudice leaseholders, but it will actively benefit them, and the services provided/ costs incurred under the QLTA will be reasonable.
23. Furthermore, and for the reasons given above, dispensation should be granted on an unconditional basis. No prejudice has been suffered by the Respondents, let alone any prejudice that requires the Respondents be compensated in some (unidentified) way.

DETERMINATION OF THE APPLICATION

24. This application and the application for retrospective dispensation in respect of the Hays Agreement are deeply connected, and the City therefore considers that the two matters should be case managed together.

25. Furthermore, given the history of the matter and the fact that the Tribunal will be dealing with two connected applications, the City considers it appropriate for the applications to be dealt with at a hearing rather than on the papers.

CONCLUSION

26. In light of the foregoing, the Tribunal is asked to allow the application and grant unconditional dispensation.

EDWARD BLAKENEY

STATEMENT OF TRUTH

The Applicant believes that the facts stated in these Grounds are true and I am duly authorised to sign on their behalf. The Applicant understands that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.



Signed:

Name: ANDREW WILLIAM CUSACK

Dated this 27th day of March 2025

Schedule of actual costs of temporary workers under the Reed Agreement - SUPPLIED VIA REED

Job Title	Job Category	Grade	Basic Rate	Working Time Regs	Worker Pay	Employer Contributions %			Employer Contributions £			Worker Cost Ex Fee	Agency Fee	MSP Fee	ESPO Framework Rebate	CoL Contract Manager Rebate	Total Cost Excl VAT
						ENC	Pensions	Levy	ENC	Pensions	Levy						
General Cleaning Operative	Manual Labour	Grade A	£16.87	£2.04	£18.91	12.95%	2.40%	0.50%	£2.45	£0.45	£0.09	£21.91	£0.62	£0.10	£0.01	£0.20	£22.84
General Cleaning Operative	Manual Labour	Grade B	£16.82	£2.03	£18.85	12.95%	2.40%	0.50%	£2.44	£0.45	£0.09	£21.84	£0.62	£0.10	£0.01	£0.20	£22.77
General Cleaning Operative	Manual Labour	Grade C	£20.83	£2.51	£23.34	13.44%	2.40%	0.50%	£3.14	£0.56	£0.12	£27.15	£0.62	£0.10	£0.01	£0.20	£28.08
Lobby Porters	Manual Labour	Grade C	£16.82	£2.03	£18.85	12.95%	2.40%	0.50%	£2.44	£0.45	£0.09	£21.84	£0.62	£0.10	£0.01	£0.20	£22.77
Concierge - Barbican Estate	Building Services & Maintenance	Grade B	£17.77	£2.15	£19.92	13.05%	2.40%	0.50%	£2.60	£0.48	£0.10	£23.10	£1.08	£0.10	£0.01	£0.20	£24.49
Concierge	Building Services & Maintenance	Grade B	£19.02	£2.30	£21.32	13.27%	2.40%	0.50%	£2.83	£0.51	£0.11	£24.77	£1.08	£0.10	£0.01	£0.20	£26.16
Estate Services Officer	Building Services & Maintenance	Grade C	£19.93	£2.40	£22.33	13.27%	2.40%	0.50%	£2.96	£0.54	£0.11	£25.94	£1.08	£0.10	£0.01	£0.20	£27.33
Customer Service Officer	Admin & Clerical	Grade C	£20.32	£2.45	£22.77	13.27%	2.40%	0.50%	£3.02	£0.55	£0.11	£26.45	£0.50	£0.10	£0.01	£0.20	£27.26

Schedule of actual costs of temporary workers under the Reed Agreement - VIA SUPPLY CHAIN

Job Title	Job Category	Grade	Basic Rate	Working Time Regs	Worker Pay	Employer Contributions %			Employer Contributions £			Worker Cost Ex Fee	Agency Fee	MSP Fee	ESPO Framework Rebate	CoL Contract Manager Rebate	Total Cost Excl VAT
						ENIC	Pensions	Levy	ENIC	Pensions	Levy						
General Cleaning Operative	Manual Labour	Grade A	£16.87	£2.04	£18.91	12.95%	2.40%	0.50%	£2.45	£0.45	£0.09	£21.91	£0.80	£0.10	£0.01	£0.20	£23.02
General Cleaning Operative	Manual Labour	Grade B	£16.82	£2.03	£18.85	12.95%	2.40%	0.50%	£2.44	£0.45	£0.09	£21.84	£0.80	£0.10	£0.01	£0.20	£22.95
General Cleaning Operative	Manual Labour	Grade C	£20.83	£2.51	£23.34	13.44%	2.40%	0.50%	£3.14	£0.56	£0.12	£27.15	£0.80	£0.10	£0.01	£0.20	£28.26
Lobby Porters	Manual Labour	Grade C	£16.82	£2.03	£18.85	12.95%	2.40%	0.50%	£2.44	£0.45	£0.09	£21.84	£0.80	£0.10	£0.01	£0.20	£22.95
Concierge - Barbican Estate	Building Services & Maintenance	Grade B	£17.77	£2.15	£19.92	13.05%	2.40%	0.50%	£2.60	£0.48	£0.10	£23.10	£1.10	£0.10	£0.01	£0.20	£24.51
Concierge	Building Services & Maintenance	Grade B	£19.02	£2.30	£21.32	13.27%	2.40%	0.50%	£2.83	£0.51	£0.11	£24.77	£1.10	£0.10	£0.01	£0.20	£26.18
Estate Services Officer	Building Services & Maintenance	Grade C	£19.93	£2.40	£22.33	13.27%	2.40%	0.50%	£2.96	£0.54	£0.11	£25.94	£1.10	£0.10	£0.01	£0.20	£27.35
Customer Service Officer	Admin & Clerical	Grade C	£20.32	£2.45	£22.77	13.27%	2.40%	0.50%	£3.02	£0.55	£0.11	£26.45	£0.50	£0.10	£0.01	£0.20	£27.26

Department of Community and Children's Services

Judith Finlay

Director Barbican Estate & Property Services



Telephone 020 7332 3013

Email nazia.noman@cityoflondon.gov.uk

Date 12th June 2024

[REDACTED]
[REDACTED]
[REDACTED]

Dear Leaseholder

Re: [REDACTED]

Notice of intention to enter into long term agreement for temporary worker services and notice of the City's intention to apply to the First-tier Tribunal (Property Chamber) to dispense with relevant consultation provisions

Pursuant to Section 20 of the Landlord and Tenant Act 1985 (as amended) ('the Act') and the Service Charges (Consultation Requirements) (England) Regulations 2003 ('the Regulations')

The City of London Corporation ('the City'), as your landlord, proposes to enter into a qualifying long-term agreement as defined in the Act. This could result in you having to pay a service charge in accordance with terms of your lease.

The City's current agreement for the supply of temporary workers (the 2017 Hays agreement) is due to expire on 30th June 2025.

The City has therefore gone out to tender for the supply of temporary worker services to its residential properties from 01 July 2025 onwards.

An agreement entered into by or on behalf of the City for a term of more than twelve months which results in costs to any leaseholder of more than £100 per year is subject to the consultation provisions of Section 20 of the Act.

It is the City's intention to enter into a new agreement for the provision of temporary worker services. The proposed agreement will last for more than twelve months, and it is expected that the charge for some flats will be more than £100 per year under the proposed agreement.

Obtaining the best service and prices for our residents

In the current dynamic and competitive business environment, the City frequently encounters fluctuating demands, seasonal peaks, or specialised projects that require a flexible and adaptable workforce or niche expertise.

In response to these challenges, the utilisation of contingency labour options such as temporary labour contracts and casual workers has become an integral aspect of workforce management strategies.

The City's commitment is to transform the existing approach to ensure that our temporary labour models offer a solution that allows the organisation to remain agile, adaptive, and competitive in the face of evolving business landscapes. Integral to this is the requirement for the solution to meet the needs of the City and its residents.

A consultative approach consisting of over 150 service users of the current contract was undertaken by the City's appointed specialist consultant, Evolving Solutions, to gain a deep insight into the current use of the contract.

The Corporation's Community & Children's Services Department was fully involved in the Service User's consultation.

Service User feedback determined the best future model for the City and its residents is a Hybrid Managed Service Provision ("MSP").

The MSP is generally delivered by recruitment businesses operating managed service provisions with a circa 40% direct fulfilment rate (that is, roles are filled by the supplier in-house) and 60% supply chain delivery (that is, roles are filled by a third-party supplier).

Our proposal

We are currently undertaking a procurement exercise for the provision of Managed Services for Temporary Agency Resources, via a mini-competition under Lot 1b of the existing ESPO MSTAR4 Framework Agreement ("the Framework") with the intention to start the new Temporary Labour Agreement on 1 July 2025.

The City considered other procurement options, including running a full Open Tender, before making the recommendation to use the Framework. The reasons for the recommendation are:

- This is the fourth ESPO framework iteration. This gives the City the confidence it was designed using experience and market knowledge.
- The City can access and run a robust competition among 16 pre-qualified Suppliers who already sit on the Framework. The high number of Suppliers on the Framework will drive competitive pressure on pricing.
- The main businesses able to carry out such a service are on the Framework.
- Suppliers on the Framework are highly credible, compliant, and fully vetted and will be highly likely to submit a bid and ultimately deliver the required specification to a high standard.
- The Framework offers stringent financial checks, not only on the Suppliers but also on the 20 suppliers in the supply chain.

A mini-competition exercise is being conducted by the Corporation amongst the 16 existing Framework Suppliers, for the provision of the Management of Temporary Agency Resources to the City's residents, under the terms of the Framework.

This will include evaluation of submissions based on quality, price, and responsible procurement (most economically advantageous).

On completion of the mini-competition, the City intends to enter a Call-Off Agreement with the successful (best value) Supplier for the provision of Managed Services for Temporary Agency Resources ("the Call-Off Agreement").

The Call-Off Agreement will be for a maximum term of six (6) years.

Despite the fact the City could not accept recommendations on the suppliers who are invited to the mini competition via the ESPO MSTAR4 framework, leaseholders are welcome to make recommendations on suppliers they wish to add to the Managed Service Provider *supply chain*.

As explained, we are looking to source a hybrid module, where some of the roles will be covered directly by the Managed Service Provider, and some others by their supply chain. The supply chain would be dynamic. This means that suppliers of temporary worker services can be added to the supply chain at any time.

Should you have some recommendations for a contractor to be added to the supply chain, the City can request the successful Managed Service Provider to include your preferred supplier on their supply chain. This would be subject to the recommended supplier being compliant, and being in agreement with the framework T&Cs.

The Call-Off Agreement specification will also state that where residents have recommended a supplier to be added to the supply chain, the Managed Service Provider will use the recommended supplier, subject to that supplier being compliant and in agreement with the Framework T&Cs.

Consultation of City leaseholders on the proposed Call-Off Agreement

The proposed Call-Off Agreement will be an agreement:

- (i) entered into by the City as Landlord; and
- (ii) for a term of more than twelve months; and
- (ii) under which relevant costs in any accounting period will exceed an amount which results in the relevant contribution of tenants, in respect of that period, being more than £100.

The proposed Call-Off Agreement is properly characterised as a Qualifying Long Term Agreement under the Act and the Regulations apply.

The City considers it necessary to enter into this proposed Call-Off Agreement to provide the management of temporary agency resources to its residents.

Unfortunately, the City's proposed procurement strategy as described above means that the City will not be able to full comply with the statutory requirements to consult long leaseholders before entering into the Call-Off Agreement.

This is because the proposed procurement strategy does not accord with Schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003.

Normally, a Notice under Schedule 2 of the Regulations would advise leaseholders that they are not being invited to nominate a contractor, because “public notice” of the relevant matters (the proposed services”) is to be given.

Under the proposed procurement strategy (a Framework Agreement followed by a Call-Off Contract) public notice has already been given in relation to the *Framework Agreement only*.

However, no public notice of the Call-Off Contract will be given.

And it is the Call-Off Contract under which costs for temporary workers will be incurred, and under which the City must therefore consult.

To remedy the defects in the consultation procedure, the City will be applying to the First-tier Tribunal (Property) Chamber, asking the Tribunal to dispense with the relevant leaseholder consultation requirements.

You are invited to make written observations regarding the proposed procurement strategy generally and the proposed Call-Off Agreement specifically.

If you wish to do this, however, you must submit your observations to this office in writing to be received within 35 days beginning with the date of this letter.

The final date for the receipt of any observations is 17th July 2024.

Please send your written observations to:

Miss Nazia Noman
Home Ownership Manager
Barbican Estate Office
3 Lauderdale Place
London
EC2Y 8EN

Email: nazia.noman@cityoflondon.gov.uk

If you would like to receive this Notice in an alternative format such as large print, Braille or audio tape, please contact the address above for further assistance.

Yours faithfully



Miss Nazia Noman
Home Ownership Manager



Barbican Estate

Dan Sanders

Assistant Director - Barbican Residential

Dear Leaseholder

RE: 2025 Temp Worker Contract

A cover note from the Assistant Director – Dan Sanders

As Assistant Director for the Barbican Estate I support the principal of the City of London entering into a framework agreement for this contract on the basis that it will drive the best competitive tender process and in turn, value for leaseholders of the Barbican.

The City of London will have a newly appointed post dedicated to the management of the temporary labour contract (globally). The BEO management team will work closely with this post to ensure the Barbican's needs/requirements are properly fulfilled. My commitment, is that through proper process and governance we will:

- Temporary labour will primarily be used as an exception for absence management and where possible and practical the BEO seeks to employ people on permanent/fixed term contract basis to ensure continuity of service and long-term security of the workforce.
- Have a series of local standard operating procedures defining the parameters of management for which the BEO will use temporary workforce under the new contract made available for review prior to the commencement of the 2025 contract.
- A quarterly report, defining the usage of agency and associated cost is presented at RCC and BRC meetings to clearly allow visibility of our operational and financial use of agency staff under the contract.
- Ensure that, through the entire period of the contract any nominations for new temporary workforce providers are properly and fairly considered, and if appropriate, added as a supplier under the global contract.

The enclosed formal notice provides a more detailed explanation of the framework model, statutory information and Call-Off agreement.

Kind Regards,

Daniel Sanders - MTPI

Assistant Director – Barbican Estate

Daniel Sanders

The City of London Corporation ('the City'), as your landlord, proposes to enter into a qualifying long-term agreement as defined in the Act. This could result in you having to pay a service charge in accordance with terms of your lease.

The City's current agreement for the supply of temporary workers (the 2017 Hays agreement) is due to expire on 30th June 2025.

The City has therefore gone out to tender for the supply of temporary worker services to its residential properties from 01 July 2025 onwards.

An agreement entered into by or on behalf of the City for a term of more than twelve months which results in costs to any leaseholder of more than £100 per year is subject to the consultation provisions of Section 20 of the Act.

It is the City's intention to enter into a new agreement for the provision of temporary worker services. The proposed agreement will last for more than twelve months, and it is expected that the charge for some flats will be more than £100 per year under the proposed agreement.

Obtaining the best service and prices for our residents

In the current dynamic and competitive business environment, the City frequently encounters fluctuating demands, seasonal peaks, or specialised projects that require a flexible and adaptable workforce or niche expertise.

In response to these challenges, the utilisation of contingency labour options such as temporary labour contracts and casual workers has become an integral aspect of workforce management strategies.

The City's commitment is to transform the existing approach to ensure that our temporary labour models offer a solution that allows the organisation to remain agile, adaptive, and competitive in the face of evolving business landscapes. Integral to this is the requirement for the solution to meet the needs of the City and its residents.

A consultative approach consisting of over 150 service users of the current contract was undertaken by the City's appointed specialist consultant, Evolving Solutions, to gain a deep insight into the current use of the contract.

The Corporation's Community & Children's Services Department was fully involved in the Service User's consultation.

Service User feedback determined the best future model for the City and its residents is a Hybrid Managed Service Provision ("MSP").

The MSP is generally delivered by recruitment businesses operating managed service provisions with a circa 40% direct fulfilment rate (that is, roles are filled by the supplier in-house) and 60% supply chain delivery (that is, roles are filled by a third-party supplier).

Our proposal

We are currently undertaking a procurement exercise for the provision of Managed Services for Temporary Agency Resources, via a mini-competition under Lot 1b of the existing ESPO MSTAR4 Framework Agreement ("the Framework") with the intention to start the new Temporary Labour Agreement on 1 July 2025.

The City considered other procurement options, including running a full Open Tender, before making the recommendation to use the Framework. The reasons for the recommendation are:

- This is the fourth ESPO framework iteration. This gives the City the confidence it was designed using experience and market knowledge.
- The City can access and run a robust competition among 16 pre-qualified Suppliers who already sit on the Framework. The high number of Suppliers on the Framework will drive competitive pressure on pricing.
- The main businesses able to carry out such a service are on the Framework.
- Suppliers on the Framework are highly credible, compliant, and fully vetted and will be highly likely to submit a bid and ultimately deliver the required specification to a high standard.
- The Framework offers stringent financial checks, not only on the Suppliers but also on the top 20 suppliers in the supply chain.

A mini-competition exercise is being conducted by the Corporation amongst the 16 existing Framework Suppliers, for the provision of the Management of Temporary Agency Resources to the City's residents, under the terms of the Framework.

This will include evaluation of submissions based on quality, price, and responsible procurement (most economically advantageous).

On completion of the mini-competition, the City intends to enter a Call-Off Agreement with the successful (best value) Supplier for the provision of Managed Services for Temporary Agency Resources (“the Call-Off Agreement”).

The Call-Off Agreement will be for a maximum term of six (6) years.

Despite the fact the City could not accept recommendations on the suppliers who are invited to the mini competition via the ESPO MSTAR4 framework, leaseholders are welcome to make recommendations on suppliers they wish to add to the Managed Service Provider *supply chain*.

As explained, we are looking to source a hybrid module, where some of the roles will be covered directly by the Managed Service Provider, and some others by their supply chain. The supply chain would be dynamic. This means that suppliers of temporary worker services can be added to the supply chain at any time.

Should you have some recommendations for a contractor to be added to the supply chain, the City can request the successful Managed Service Provider to include your preferred supplier on their supply chain. This would be subject to the recommended supplier being compliant, and being in agreement with the framework T&Cs.

The Call-Off Agreement specification will also state that where residents have recommended a supplier to be added to the supply chain, the Managed Service Provider will use the recommended supplier, subject to that supplier being compliant and in agreement with the Framework T&Cs.

Consultation of City leaseholders on the proposed Call-Off Agreement

The proposed Call-Off Agreement will be an agreement:

- (i) entered into by the City as Landlord; and
- (ii) for a term of more than twelve months; and
- (iii) under which relevant costs in any accounting period will exceed an amount which results in the relevant contribution of tenants, in respect of that period, being more than £100.

The proposed Call-Off Agreement is properly characterised as a Qualifying Long Term Agreement under the Act and the Regulations apply.

The City considers it necessary to enter into this proposed Call-Off Agreement to provide the management of temporary agency resources to its residents.

Unfortunately, the City’s proposed procurement strategy as described above means that the City will not be able to full comply with the statutory requirements to consult long leaseholders before entering into the Call-Off Agreement.

This is because the proposed procurement strategy does not accord with Schedule 2 of the Service Charges (Consultation Requirements) (England) Regulations 2003.

Normally, a Notice under Schedule 2 of the Regulations would advise leaseholders that they are not being invited to nominate a contractor, because “public notice” of the relevant matters (the proposed services”) is to be given.

Under the proposed procurement strategy (a Framework Agreement followed by a Call-Off Contract) public notice has already been given in relation to the *Framework Agreement only*.

However, no public notice of the Call-Off Contract will be given.

And it is the Call-Off Contract under which costs for temporary workers will be incurred, and under which the City must therefore consult.

To remedy the defects in the consultation procedure, the City will be applying to the First-tier Tribunal (Property) Chamber, asking the Tribunal to dispense with the relevant leaseholder consultation requirements.

You are invited to make written observations regarding the proposed procurement strategy generally and the proposed Call-Off Agreement specifically.

If you wish to do this, however, you must submit your observations to this office in writing to be received within 35 days beginning with the date of this letter.

The final date for the receipt of any observations is 31st July 2024.

Please send your written observations to:

Daniel Sanders

Assistant Director – BEO

Dan.sanders@cityoflondon.gov.uk

FAO Daniel Sanders - City of London, Barbican Estate Office, 3 Lauderdale Place, Barbican, EC2Y 8EN

If you would like to receive this Notice in an alternative format such as large print, Braille or audio tape, please contact the address above for further assistance.

Yours faithfully

Daniel Sanders

Daniel Sanders - MTPI

Assistant Director – Barbican Estate

From: [Sanders, Dan](#)
To: [William Webster](#)
Subject: RE: Observations and Concerns Regarding the Proposed 2025 Temporary Worker Contract
Date: 02 August 2024 11:58:00
Attachments: [image001.jpg](#)

Dear Mr Webster,

I trust you are well and thank you for your observations which have been received and noted.

I have taken each point raised and responded in red below to ensure I answer every point raised.

Kind Regards,
Dan



Daniel Sanders MTPI

Assistant Director - Barbican

Community and Children's Services

City of London, Barbican Estate Office, 3 Lauderdale Place, Barbican, EC2Y 8EN

E: Dan.sanders@cityoflondon.gov.uk

www.cityoflondon.gov.uk

From: William Webster [REDACTED]
Sent: Sunday, July 7, 2024 1:06 PM
To: Sanders, Dan <Dan.Sanders@cityoflondon.gov.uk>
Subject: Re: Observations and Concerns Regarding the Proposed 2025 Temporary Worker Contract

THIS IS AN EXTERNAL EMAIL

FAO Daniel Sanders
City of London, Barbican Estate Office
3 Lauderdale Place
Barbican, EC2Y 8EN

Dear Mr. Sanders,

I am writing to express my observations and concerns regarding the proposed 2025 Temporary Worker Contract for the Barbican Estate, as outlined in your letter dated 24 June 2024. After reviewing the letter, I have identified several issues and would like to seek clarification on the following points:

??? **Circumvention of Statutory Consultation Requirements:** The City's proposal

to apply to the First-tier Tribunal to dispense with certain statutory consultation provisions is concerning. This approach seems to prioritise expediency over a thorough and inclusive consultation process with leaseholders.

The rationale for applying for dispensation in this instance is because we are utilising a framework agreement to ensure the most competitive Commercial rates for the temporary workers contract which runs across the entire corporation, not just Barbican. It is not to prioritise expediency and we have 2 resident representatives on the evaluation panel because we want inclusivity and transparency to be at the heart of what we do moving forward.

☐☐☐ **The complexity of the Hybrid Managed Service Provision (MSP) Model:** The introduction of a Hybrid MSP model introduces additional complexity by involving the City, the primary MSP, and third-party subcontractors. This multi-tiered structure raises concerns about potential miscommunication, management challenges, and diluted accountability.

We are confident that through a properly structured agreement and good local management this will not be an issue for the Barbican or the wider contract which is common in this arena.

☐☐☐ **Pre-Existing Work with Suppliers:** The letter suggests that significant pre-engagement work has already been conducted with suppliers before leaseholders were formally notified. This implies that key decisions might have been made without adequate consultation with leaseholders.

I can confirm no key decisions were taken prior to our S20 notice and the evaluations are currently taking place.

☐☐☐ **Delegation of Responsibility and Accountability:** The hybrid model allows the MSP to subcontract services, potentially creating a three-party chain for service delivery: the City, the primary supplier (MSP), and subcontractors. This arrangement risks diluting accountability and complicating oversight.

We are confident that through a properly structured agreement and good local management this will not be an issue for the Barbican or the wider contract which is common in this arena.

☐☐☐ **Reliance on Expert Advice from Evolving Solutions:** The City has relied on expert advice from Evolving Solutions and consulted over 150 service users, but there is a lack of transparency regarding the findings and recommendations from these consultations.

The City has taken expert advice to ensure compliance and best practice in placing a large contract in this arena, the report is not public given it covers the entire corporation however if you had any specific questions, I'd be happy to relay them back to procurement.

☒☒☒ **Insufficient Evidence from Service User Consultation:** There is no detailed evidence of what was discussed during the service user consultation or how the feedback received influenced the proposed model. This lack of transparency raises concerns about the validity and comprehensiveness of the consultation process.

The City has taken expert advice to ensure compliance and best practice in placing a large contract in this arena, the report is not public given it covers the entire corporation however if you had any specific questions, I'd be happy to relay them back to procurement.

Because of these concerns, I would like to know how the City is planning to address these issues and ensure transparency, accountability, and thorough consultation with leaseholders.

With reference to the Barbican Estate, you will have seen my clear commitments in real time reporting on both operational usage and cost to the RCC and BRC which are publicly accessible meetings and papers, so by virtue all leaseholders will have access to this information and be able to review, probe and have input. This new BEO management team are happy to always be open, transparent and provide information where requested.

I appreciate your attention to these matters and look forward to your detailed response.

Kind regards,
William Webster

From: [Sanders, Dan](#)
To: [chairbarbassociation](#)
Cc: [chairrcc](#)
Subject: RE: Notice of intention to enter into a Qualifying Long Term Agreement
Date: 07 August 2024 12:39:00
Attachments: [image001.jpg](#)
[image002.jpg](#)

Dear Adam,

Thank you very much for your observations which have been noted.

With reference to the points noted in the notice my comments are in red as follows:

- Procurement strategy. We have to take your word that it is appropriate as we do not have the expertise to do anything else.

I appreciate that there is an element of trust that we are being a responsible Freeholder in terms of our preferred procurement strategy being the best option for this type of contract. Two points to note in this regard:

- This contract is Corporation wide, and the City will be drawing down on the services themselves meaning there is an enhanced vested interest to ensure we have the most competitive rates.
- We have a host of procurement expertise within the City that are confident this is the best procurement strategy for this contract.

Of course, as we are in a period of rebuilding trust and establishing a “resident reset” we really want to involve the wider community in these decisions, and we have 2 Barbican representatives on the tender evaluation panel to keep the process open and transparent.

- Call Off Agreement. We cannot comment on this as it has not been specified.

Apologies, we know that public sector procurement terminology can be confusing. In simple terms, a call-off is just another way of saying a contract between a buyer and a framework supplier that has been placed through a framework. Essentially this refers to a leaseholder’s ability to propose a supplier through the term of the contract and providing they flow through the framework criteria we will not unreasonably stop them from being included now or for the duration of the contract.

- There is insufficient information in the letter. It does not explain why the City wishes to enter a contract for the supply of temporary staff, how it would differ from whatever arrangement is currently in force and what would be the cost to leaseholders.

It is very difficult to try and quantify costs, especially as we are dramatically changing the way the BEO has a relationship with agency staff and it will now be primarily used in cases of sickness, holiday and absence we cannot internally cover, it will not be a feature of employment with lengthy service being placed through the framework.

The proposed contract should be drawn up specifically to serve the needs of the Barbican Estate.

We have agreed to a degree of separation, a single responsible person for the contract City wide for which a BEO officer will work closely with and a series of reporting on operational usage and cost to RCC and BRC so people can continually have visibility.

- The use of temporary staff often leads to a drop in service standards.

Agreed – it is our ambition this contract should only be drawn upon as a last resort when we cannot cover internally.

- Any proposal to enter a contract encouraging the use of temporary staff should not be contemplated without prior consultation with, and approval by, the RCC and BRC.

Agreed - we have consulted with leaseholders as per the observations received and we will continue to closely report to RCC and BRC through the procurement and contract placing process.

In this new era of BEO management, we are happy to be as transparent as required and provide as much data and figures to give clarity and assurances we are managing the Estate staffing in a controlled and cost effective way for and on behalf of leaseholders.

Any follow up queries please let me know.

Best,
Dan



Daniel Sanders MTPI

**Assistant Director - Barbican
Community and Children's Services**

City of London, Barbican Estate Office, 3 Lauderdale Place, Barbican, EC2Y 8EN

E: Dan.sanders@cityoflondon.gov.uk

www.cityoflondon.gov.uk

From: [REDACTED]
Sent: Wednesday, July 24, 2024 1:38 PM
To: Sanders, Dan <Dan.Sanders@cityoflondon.gov.uk>
Cc: chairrcc [REDACTED]
Subject: FW: Notice of intention to enter into a Qualifying Long Term Agreement

THIS IS AN EXTERNAL EMAIL

Dear Dan

I refer to your two letters of the 24th June, the formal notice of intention to enter into a framework agreement and your cover note.

The formal notice is to most leaseholders without knowledge of the L&T act and ESPO frameworks very difficult to understand.

You are asking leaseholders to comment on the proposed:

- Procurement strategy. We have to take your word that it is appropriate as we do not have the expertise to do anything else.
- Call Off Agreement. We cannot comment on this as it has not been specified.

We welcome your cover note which does partially respond to the concerns we expressed in our response to the request for comment from Ann Mason on 15th August 2023 on this same subject below. It would be very helpful if you could respond specifically to the observations set out in the email below, in particular the following:

- 1 The likely cost to Leaseholders
- 2 Specificity to the Barbican Estate
- 6 Maintenance of service standards
- 7 Approval by the RCC and BRC

Regards??????

Adam

Chair Barbican Association

From: [Sanders, Dan](#)
To: [Richard Tomkins](#)
Subject: RE: Response to S20 consultation on 2025 temporary worker contract
Date: 07 August 2024 12:54:00
Attachments: [image001.jpg](#)

Dear Mr Tomkins,

Thank you for your email and attached letter.

I have taken your points and responded to each of them in red below:

- The commitments set out in the covering letter appear to be just expressions of intent at this stage and will have no effect unless translated into action. I would like to see the agreement to enter the new contract made conditional on the fulfilment of the commitments made in the four bullet points in the covering letter.

The points referred to are indeed a statement of intent. They will not form part of the conditional placement of the contract however, I can confirm that our local SOP's for parameters of local management and schedule of reporting will be made publicly available via these committees prior to the new contract being entered into.

- I would like to see an additional condition that, within the Barbican Estate, the use of any temporary worker must be approved at the highest level of management and that each authorisation should be temporary only, to be reviewed at the end of a specified period.

It would not be practical for every absence exception to be approved by an individual, the nature of requirement means at short notice someone would need to be available 24/7 to approve. That said, through a stringent series of SOP's and approvals we will ensure the appropriate level of management has oversight and certain limitations exist for authority levels to place agency staff.

- Since sickness absences account for a high proportion of the use of temporary workers, and since sickness absences are said to have been running at three times the national average, I would like to see the level and rate of sickness absences to be specifically addressed and quantified in the proposed quarterly reports to the Barbican Residential Committee and RCC.

Agreed – we will be working on this and I further agree reporting to RCC/BRC is appropriate.

- I would like to see a recognition that the Barbican Residential Committee is the body of elected representatives responsible for the management of the Barbican Estate and similarly a recognition that the Barbican Residential Committee, advised and assisted by the Barbican Estate Residents Consultation Committee, will be the body ultimately responsible for all decisions taken on the use of temporary workers within the Barbican Estate.

Agreed - The RCC is a consultative committee that we engage with to ensure we hear the elected representatives' views and the BRC is the ultimate decision-making body.

- In consideration of the point immediately above I would like to see a report on the new contract brought before the Barbican Residential Committee (and the Barbican Estate Residents Consultation Committee) setting out the proposed way forward and asking the committee to approve the proposed arrangements for the management and use of temporary workers within the Barbican Estate under the new contract.

Agreed – this was always going to happen once the appropriate work had been carried out and we had a report (one from procurement on the contract and one from the BEO on the utilisation of that contract) for the committee to consider.

Thank you for your engagement and observations, any other questions please let me know.

Best,
Dan



Daniel Sanders MTPI

**Assistant Director - Barbican
Community and Children's Services**

City of London, Barbican Estate Office, 3 Lauderdale Place, Barbican, EC2Y 8EN

E: Dan.sanders@cityoflondon.gov.uk

www.cityoflondon.gov.uk

From: Richard Tomkins [REDACTED]
Sent: Tuesday, July 30, 2024 7:59 AM
To: Sanders, Dan <Dan.Sanders@cityoflondon.gov.uk>
Subject: Response to S20 consultation on 2025 temporary worker contract

THIS IS AN EXTERNAL EMAIL

Dear Mr Sanders,

In accordance with your letter to Barbican Estate leaseholders dated 24 June 2024 I'm attaching my written observations in response to the S20 consultation on the 2025 temporary worker contract.

Kind regards,

Richard Tomkins
Leaseholder

[REDACTED]
[REDACTED]
[REDACTED]

Sharon Flockhart

9th July 2024

Nazia Noman
Home Ownership Manager
Department of Community and Children's Services
City of London

RE: Notice of intention to enter into long term agreement for temporary worker services and notice of the City's intention to apply to the First-tier Tribunal (Property Chamber) to dispense with relevant consultation provisions pursuant to S.20 f the Landlord and Tenant Act 1985 (as amended) and the Service Charges (Consultation Requirements) (England) Regulations 2003

Dear Ms Noman,

Thank you very much for your letter dated 12th June 2024 notifying leaseholders of the City's intention to enter into a contractual arrangement for temporary workers starting 1st July 2025 and on expiration of the existing contract with Hays.

I am writing in the hope of gaining clarification and a better understanding of what this means going forward and set out some questions and observations below.

Scope of intended 2025 agreement

I understand that the existing Hays agreement covers the supply of temporary workers not just to the housing estates, but also across wider areas of the City's remit, including the Barbican generally, the Guildhall and the City Police.

Could you please clarify whether the intended 2025 agreement will also have the same broad scope, or whether it will be confined to housing / HRA estates?

If not confined to housing estates, can you please explain what, if any, consideration has been given to the issue of whether or not the HRA or housing estates should have a separate contract to govern the recruitment of temporary workers in relation to housing services? It may be that such global contracts are not the most appropriate or cost-effective.

Temporary staff in relation to housing estates

Regardless of the scope of the 2025 agreement, I wonder whether the City has, or could going forwards, give consideration to using known individuals to provide cover on the housing estates? For example, these could be caretakers (or those now employed directly by the City to carry out their equivalent tasks) who spend time divided across two estates instead of one estate during holiday periods, or short periods of absence.

I appreciate that this may not be practicable across the larger housing estates, but it may work very well across some of the smaller estates. Although this may result in a partial fulfilment of full services, this may be acceptable for short periods. For example, at Dron House, and while Gavin Orr was our caretaker, there was a known individual who was regularly used to cover periods of absence. I believe that Gavin similarly also undertook occasional covering duties at other estates.

The advantages of this would be that such personnel:

- would be familiar with the estate's workings already and would require no, or very little, induction
- are known to residents on that estate and are clearly identifiable as the person to go to if there are any problems or issues arising
- would remain under the City's direct control as an employee
- would save costs in so far as the City would not have to actively hire from the relevant agency under any framework/MSP agreement

I appreciate that this would not obviate the need for a background agency agreement to have recourse to, but wonder whether it could be in some instances a workable and cost-effective option in relation to the day-to-day services provided on some, if not all, of the housing estates. I would be grateful for your thoughts on this.

Evolving Solutions Consultation

Thank you for explaining in your letter that the City's approach going forwards is informed by a consultation process with Evolving Solutions. I was not aware of this consultation and wonder if you could please clarify:

- whether as part of putting their views forward the Community & Children's Services Department in turn consulted with residents across the housing estates in relation to how well (or not) the uptake of temporary workers was working in terms of delivering services efficiently and effectively to estates
- if this consultation paper considered the issue of whether a global contract as broad as the Hays contract was an appropriate model in relation to the requirements of housing/ HRA estates, or whether those estates would be better served by a separate agreement not encompassing the Guildhall and police services

- whether the consultation made any, or any separate, analysis of the type of temporary worker most commonly required in relation to the housing/HRA estates and the most cost-efficient way of providing such personnel
- the date the consultation was commissioned and the date it concluded
- whether this consultation paper is available for residents to read if they so wish
- whether the costs of this consultation have been passed on in any way to residents (tenants and leaseholders)

Hybrid Managed Service Provision and cost-effectiveness of third party involvement

I apologise for my lack of understanding, but having read the letter several times I am still having difficulty fully understanding the MSP and how it differs fundamentally from the existing arrangement with Hays.

Is the essence of the difference that you will now seek to arrange a *series* of contracts with a series of different main recruitment businesses, rather than a single contract with a single main recruitment provider? Or will you just contract with a single main recruitment supplier, who will in turn approach third-party recruitment agencies where it cannot supply staff directly from its own books?

Is my current understanding of Hays as also being a single main recruitment provider correct? And if so, does Hays currently provide 100% of the City's temporary workers, or does it in turn use/sub-contract with third party suppliers where it cannot meet the City's needs directly?

I note that your letter states only 40 per cent of temporary workers tend to be directly fulfilled by the main recruitment business[s]/MSP. I therefore have some concerns regarding how fees will be managed in a transparent and cost-effective manner given that 60% of workers will be indirectly supplied. In particular:

- Does the MSP charge the City a separate fee each time it supplies a temporary worker to the City?
- If so, is the fee charged under an MSP lower than if the City approached a recruitment agency directly itself outside of a call-off/MSP agreement?
- Will the MSP incur a fee from the third party agency each time they approach them and secure a temporary worker on behalf of the City?
- If so, do they then pass that third-party fee, as well as their own placement fee, on to the City?
- How will these fees be costed and will they be capped under the contract the City has with the MSP?
- Does the City have its own in-house personnel department, or is this out-sourced in whole or part?

It isn't clear to me whether the cost of hiring the temporary workers increases when supplied via the third party provider and, if so, by how much more than if directly supplied by the main recruitment business?

It's also not clear whether this novel agreement is more or less cost-effective than the existing one. I would be really grateful if you could clarify how the City/the consultancy firm has costed this and whether, and to what extent, this new approach is considered to be cheaper, the same, or more expensive than the existing arrangement with Hays.

If it is the case that a saving in costs is anticipated under this new model, and assuming that the MSP is broader than just the housing estates, are such savings predicted/costed as likely be more pronounced in some areas rather than others (e.g. the savings are greater across the police & Guildhall rather than across housing estates)?

Costs Under the Hays Agreement

I have previously requested a breakdown of figures for the cost of hiring temporary workers in relation to Dron House under the existing Hays agreement. I would be grateful if you could now please provide these figures. Without knowing the yearly charge, it is very difficult to understand the merits and demerits of the proposed MSP tender and call-off agreement.

If you could also provide some kind of breakdown as to what kind of temporary workers were hired in relation to Dron House (e.g. cleaners, managers) I would be most grateful.

The Dron House estate has suffered a rather unsettled and upsetting period over the past 2-3 years when staff restructuring occurred without resident consultation. This resulted in our regular, and highly efficient caretaker being removed and inappropriate, inaccessible and inefficient workers being appointed. The standards of day-to-day cleaning, gardening and general management on the estate were very obviously negatively impacted and although many of the problems have been remedied, standards are not yet quite back up to the level provided by our past caretaker. However, our service charges have yet again increased in relation to these services.

Please note that I requested information in relation to these charges from Greg Nott last year and have still not received a reply. I am keen to understand whether, and to what extent, the use of temporary workers and the proposed changes have added to, and going forwards are likely to add to, these charges. Any help you can give me with this will be greatly appreciated.

ESPO framework

I am not familiar with the ESPO agreement set out in your letter and would be grateful if you could clarify whether the City incurs a charge or costs for using that

framework. If so, are the costs of using this ESPO/the mini-competition exercise passed on to leaseholders, and if yes, how will this cost be apportioned across the housing estates?

Has the City given any consideration as to whether going out to full tender would be less costly than using the ESPO?

Could you please also clarify whether the ESPO described in your letter is the same framework that was used to appoint Hays in 2017? If not, please could you clarify what type of agreement was used since I understand it was not an open tender process.

Pre-qualified suppliers

Can you please confirm whether Hays is, or will be, on the list of pre-qualified providers under the framework agreement you refer to in your letter. I am not clear whether they are currently considered to meet the definition of a 'Managed Service Provider'.

The Call-Off Agreement

Can you please indicate what length of time the City is intending to contract for under the call-off agreement. Your letter mentions a maximum of 6 years but it isn't clear if you will choose to contract for that maximum period, or a shorter one. Given that this is a novel approach to hiring temporary workers, please could you clarify:

- What the likely, or obligatory, minimum period would be?
- What if any break clauses or provisions will be inserted into the contract to protect the City against poor performance, increased fees and charges etc. and allow the City a penalty-free way out of the contract if it is not working well or cost-effectively
- Whether you will be allowing the MSP to submit price variations/increases throughout the life of the call-off agreement? And if so, whether and how these will be controlled/capped

I

Application for Dispensation

I wonder if you could please clarify whether the application for dispensation in relation to the 2025 contract referred to in your letter will be:

- a retrospective or prospective one
- purely administrative, or a contested application
- made as a separate application and not joined with any other application

(retrospective or otherwise) that the City may be minded to make, particularly in relation to the past Hays agreement

I ask this because I am confused by the wording of your letter which suggests that the tendering and mini-competition process for the MSP has already begun both before residents have been informed about it, and before an application to the First-Tier Tribunal has been made to dispense with the need to consult with leaseholders. Please could you clarify the position.

Please note that in as far as the City may be looking to enjoin a non-contested, novel and prospective application with a contested and retrospective application in relation to the Hays agreement, this would not seem right, not least from a costs perspective.

I would therefore be grateful if you could indicate what the City proposes to do in terms of these applications, and would be further grateful for your assurance that the costs of such hearings, whether separate or joined, will not be passed on to leaseholders or tenants.

I apologise for the length of this email but I confess to finding the content surrounding the technical contracts and procurement difficult to grasp. I appreciate that the subject is a difficult one, both for the City and residents, and hope that a satisfactory result is obtained that benefits all.

Many thanks for patience in reading this letter.

Very best wishes,

Sharon Flockhart

21 March 2025

Sharon Flockhart



RE: Notice of intention to enter into long term agreement for temporary worker services.

Dear Ms Flockhart,

Thank you for your letter dated 9th July 2024 containing your observations on the City's proposal to enter into a contract for provision of temporary workers starting 1st July 2025.

I apologise for the delay in coming back to you.

I will respond to each of your observations in turn. Your observations appear in italics below.

Scope of intended 2025 agreement

I understand that the existing Hays agreement covers the supply of temporary workers not just to the housing estates, but also across wider areas of the City's remit, including the Barbican generally, the Guildhall and the City Police.

Could you please clarify whether the intended 2025 agreement will also have the same broad scope, or whether it will be confined to housing / HRA estates?

Response: The 2025 agreement between the City and Reed Specialist Recruitment Ltd for the provision of temporary workers was entered into on 19 February 2025 ("the Reed Agreement") and will cover all departments and institutions of the City of London Corporation. It is what is known as a corporate contract. It will also be used to provide temporary workers on housing estates.

If not confined to housing estates, can you please explain what, if any, consideration has been given to the issue of whether or not the HRA or housing estates should have a separate contract to govern the recruitment of temporary workers in relation to housing services? It may be that such global contracts are not the most appropriate or cost-effective.

Response: The City believes that the Reed Agreement is appropriate for provision of temporary worker services on housing estates, include your estate. The City believes that a corporate contract such as the Reed Agreement offers best value for money and economies of scale, including in relation to the provision of services on housing estates. Also, affected stakeholders, including affected long leaseholders,

have been involved in the procurement of the Reed Agreement. Please refer generally to the bullet points under the heading “Our proposal” in our letter to you of 12 June 2024.

Temporary staff in relation to housing estates

Regardless of the scope of the 2025 agreement, I wonder whether the City has, or could going forwards, give consideration to using known individuals to provide cover on the housing estates? For example, these could be caretakers (or those now employed directly by the City to carry out their equivalent tasks) who spend time divided across two estates instead of one estate during holiday periods, or short periods of absence.

I appreciate that this may not be practicable across the larger housing estates, but it may work very well across some of the smaller estates. Although this may result in a partial fulfilment of full services, this may be acceptable for short periods. For example, at Dron House, and while Gavin Orr was our caretaker, there was a known individual who was regularly used to cover periods of absence. I believe that Gavin similarly also undertook occasional covering duties at other estates.

The advantages of this would be that such personnel:

- would be familiar with the estate's workings already and would require no, or very little, induction*
- are known to residents on that estate and are clearly identifiable as the person to go to if there are any problems or issues arising*
- would remain under the City's direct control as an employee*
- would save costs in so far as the City would not have to actively hire from the relevant agency under any framework/MSP agreement*

I appreciate that this would not obviate the need for a background agency agreement to have recourse to, but wonder whether it could be in some instances a workable and cost-effective option in relation to the day-to-day services provided on some, if not all, of the housing estates. I would be grateful for your thoughts on this.

Response: Whether City staff who are already known to residents can cover for periods of absence will depend on the availability of those staff to cover relevant shifts. Where this is not possible, and a temporary agency worker is required, please note that where residents have added a recommended supplier to the supply chain, then Reed Specialist Recruitment Ltd as the Managed Service Provider will use that recommended supplier.

Evolving Solutions Consultation

Thank you for explaining in your letter that the City's approach going forwards is informed by a consultation process with Evolving Solutions. I was not aware of this consultation and wonder if you could please clarify:

Response: To clarify the role of Evolving Solutions generally, consultation on the current Hays Agreement and the specification requirements for the new Reed Agreement was conducted with officers across the organisation, as part of the procurement process. Evolving Solutions is the consultancy brought in to support the facilitation of this process. They do not own the consultation. Feedback from officers in the Department of Community and Children's Services (the department which manages the City's housing estates) was included in the consultation survey.

- *whether as part of putting their views forward the Community & Children's Services Department in turn consulted with residents across the housing estates in relation to how well (or not) the uptake of temporary workers was working in terms of delivering services efficiently and effectively to estates*

Response: Consultation with residents was conducted via a Notice of Intention letter to affected long leaseholders in June 2024.

- *if this consultation paper considered the issue of whether a global contract as broad as the Hays contract was an appropriate model in relation to the requirements of housing/ HRA estates, or whether those estates would be better served by a separate agreement not encompassing the Guildhall and police services*

Response: There is no single "consultation paper" as assumed by your observation. However, as part of the Pre-Tender Stage of the procurement of the Reed Agreement, the City did consider whether the use of a corporate contract was appropriate in the context of housing estates.

- *whether the consultation made any, or any separate, analysis of the type of temporary worker most commonly required in relation to the housing/HRA estates and the most cost-efficient way of providing such personnel*

Response: The Specification was developed to ensure the requirements all of departments in the organisation can be met.

- *the date the consultation was commissioned and the date it concluded*

Response: The City carried out Pre-Tender Stage consultation in relation to the Reed Agreement between February 2023 and May 2024.

- *whether this consultation paper is available for residents to read if they so wish*

Response: There is no single "consultation paper" as assumed by your observation.

- *whether the costs of this consultation have been passed on in any way to residents (tenants and leaseholders)*

Response: No costs for the use of consultancy on this project has been passed onto residents.

Hybrid Managed Service Provision and cost-effectiveness of third-party involvement

I apologise for my lack of understanding but having read the letter several times I am still having difficulty fully understanding the MSP and how it differs fundamentally from the existing arrangement with Hays.

Is the essence of the difference that you will now seek to arrange a series of contracts with a series of different main recruitment businesses, rather than a single contract with a single main recruitment provider? Or will you just contract with a single main recruitment supplier, who will in turn approach third-party recruitment agencies where it cannot supply staff directly from its own books?

Response: The new model of delivery will be through a Hybrid MSP solution. This means that the managed service provider will be able to utilise the supply chain if they are unable to fulfil a role. However, for certain defined roles the City can insist that Reed go out to the supply chain at the same time (“the Dynamic Supply Chain”). The City would then decide which candidate to appoint based on skills, qualifications and experience of the candidates. For the relevant roles affecting housing estates under the Reed Agreement, the roles must go out to the supply chain after a short defined period (such as 24 hours).

Is my current understanding of Hays as also being a single main recruitment provider correct? And if so, does Hays currently provide 100% of the City’s temporary workers, or does it in turn use/sub-contract with third party suppliers where it cannot meet the City’s needs directly?

Response: The Hays Agreement is delivered through a Master Vendor MSP approach, which means Hays is the main supplier, with a supply chain to meet the full breadth of supply. Hence, not all temporary workers are supplied by Hays directly. However, unlike the Reed Agreement, Hays do not *have* to release roles to the supply chain. If Hays believes that they cannot fulfil a role, Hays can then decide to release the role to the supply chain at their discretion. This is a key difference between the Hays Agreement and the Reed Agreement. The Reed Agreement *obliges* Reed to release certain roles to the supply chain, either immediately or after a certain defined period, whereas the Hays Agreement does not oblige the release of roles to the supply chain.

I note that your letter states only 40 per cent of temporary workers tend to be directly fulfilled by the main recruitment business[s]/MSP. I therefore have some concerns regarding how fees will be managed in a transparent and cost-effective manner given that 60% of workers will be indirectly supplied. In particular:

- *Does the MSP charge the City a separate fee each time it supplies a temporary worker to the City?*

Response: Yes, an MSP Fee is applied to the hourly rate of each worker.

- *If so, is the fee charged under an MSP lower than if the City approached a recruitment agency directly itself outside of a call-off/MSP agreement?*

Response: This is likely to be the case as the MSP fee was competitively tendered as part of the procurement of the Reed Agreement.

- *Will the MSP incur a fee from the third-party agency each time they approach them and secure a temporary worker on behalf of the City?*

Response: When utilising the supply chain, the Agency Fee charged by Reed will be replaced by the Agency Fee charged by the supply chain supplier.

- *If so, do they then pass that third-party fee, as well as their own placement fee, on to the City?*

Response: Only the Agency Fee for the supply chain supplier will be passed on to the City.

- *How will these fees be costed and will they be capped under the contract the City has with the MSP?*

Response: There is a potential slight variation in the Agency Fee between Reed and current supply chain suppliers. The Reed Agency Fee will be up to 18p per hour per worker lower. If a new supply chain supplier is proposed, then the City expects that the Agency Fee for that new supplier will be broadly in line with the existing Reed Agency Fee. It will ultimately be up to the City to decide if it wants to allow a supplier with a higher Agency Fee to join the supply chain, subject to the recommended supplier being compliant and meeting the framework T&Cs. During the lifetime of the Reed Agreement any nominations for new temporary workforce providers will be properly and fairly considered by the City, and if appropriate, added as a supplier.

- *Does the City have its own in-house personnel department, or is this outsourced in whole or part?*

Response: The City has its own in-house HR department head by a Chief People Officer.

It isn't clear to me whether the cost of hiring the temporary workers increases when supplied via the third-party provider and, if so, by how much more than if directly supplied by the main recruitment business?

Response: There is a potential very slight increase when using a supplier on the supply chain compared to using Reed direct. The increase will be up to 18p per hour per worker.

It's also not clear whether this novel agreement is more or less cost-effective than the existing one. I would be really grateful if you could clarify how the City/the consultancy firm has costed this and whether, and to what extent, this new approach is considered to be cheaper, the same, or more expensive than the existing arrangement with Hays.

Response: The City expects that the costs incurred under the Reed Agreement will be broadly in line with the costs incurred under the Hays Agreement.

If it is the case that a saving in costs is anticipated under this new model, and assuming that the MSP is broader than just the housing estates, are such savings predicted/costed as likely be more pronounced in some areas rather than others (e.g. the savings are greater across the police & Guildhall rather than across housing estates)?

Response: The City expects that the costs incurred under the Reed Agreement will be broadly in line with the costs incurred under the Hays Agreement.

Costs Under the Hays Agreement

I have previously requested a breakdown of figures for the cost of hiring temporary workers in relation to Dron House under the existing Hays agreement. I would be grateful if you could now please provide these figures. Without knowing the yearly charge, it is very difficult to understand the merits and demerits of the proposed MSP tender and call-off agreement.

Response: Below is a table setting out the total amounts recharged to leaseholders at Dron House in the relevant years for services provided under the Hays Agreement.

Dron	17/18	18/19	19/20	20/21	21/22	22/23	23/24
Cleaners	£3,054.10	£8,163.48	£807.19	£0.00	£0.00	£2,572.85	£6,560.39

If you could also provide some kind of breakdown as to what kind of temporary workers were hired in relation to Dron House (e.g. cleaners, managers) I would be most grateful.

The Dron House estate has suffered a rather unsettled and upsetting period over the past 2-3 years when staff restructuring occurred without resident consultation. This resulted in our regular, and highly efficient caretaker being removed and inappropriate, inaccessible and inefficient workers being appointed. The standards of day-to-day cleaning, gardening and general management on the estate were very obviously negatively impacted and although many of the problems have been remedied, standards are not yet quite back up to the level provided by our past caretaker. However, our service charges have yet again increased in relation to these services.

Please note that I requested information in relation to these charges from Greg Nott last year and have still not received a reply. I am keen to understand whether, and to what extent, the use of temporary workers and the proposed changes have added to, and going forwards are likely to add to, these charges. Any help you can give me with this will be greatly appreciated.

Response: Please see the table above. Temporary workers have been used to provide cleaning services only on your estate in relevant years. Temporary workers were not used to provide gardening services or supervision and management services.

ESPO framework

I am not familiar with the ESPO agreement set out in your letter and would be grateful if you could clarify whether the City incurs a charge or costs for using that framework. If so, are the costs of using this ESPO/the mini-competition exercise passed on to leaseholders, and if yes, how will this cost be apportioned across the housing estates?

Response: The City incurs a cost of 1p per worker per hour. This fee is charged by the ESPO for every claimed hour - this covers the cost of the procurement and management of the Framework and is paid by all contracting authorities that use the MSTAR4 Framework. This is collected by Reed via the hourly rate and remitted to ESPO on a quarterly basis.

Has the City given any consideration as to whether going out to full tender would be less costly than using the ESPO?

Response: All routes to market, including open tender, were considered during the City's governance process. The ESPO framework was deemed the most suitable route to market for the Corporation.

Could you please also clarify whether the ESPO described in your letter is the same framework that was used to appoint Hays in 2017? If not, please could you clarify what type of agreement was used since I understand it was not an open tender process.

Response: The 2017 Hays Agreement was procured under ESPO Framework 653F_15 Managed Services for Temporary Agency Resources (MSTAR 2). The 2025 Reed Agreement (which will replace the Hays Agreement in July 2025) was procured under ESPO Framework 653F_23 Managed Services for Temporary Agency Resources (MSTAR 4).

Pre-qualified suppliers

Can you please confirm whether Hays is, or will be, on the list of pre-qualified providers under the framework agreement you refer to in your letter. I am not clear whether they are currently considered to meet the definition of a 'Managed Service Provider'.

Response: Hays is one of the suppliers on the framework.

The Call-Off Agreement

Can you please indicate what length of time the City is intending to contract for under the call-off agreement. Your letter mentions a maximum of 6 years but it isn't clear if you will choose to contract for that maximum period, or a shorter one. Given that this is a novel approach to hiring temporary workers, please could you clarify:

- *What the likely, or obligatory, minimum period would be?*

Response: The minimum initial term of the contract is three years commencing on 01 July 2025. The City currently intends one extension of 24 months and a final extension of a further 12 months, up to a total term of six years.

- *What if any break clauses or provisions will be inserted into the contract to protect the City against poor performance, increased fees and charges etc. and allow the City a penalty-free way out of the contract if it is not working well or cost-effectively*

Response: Due to the implementation costs of the Reed Agreement, there is no termination for convenience clause. However, the Reed Agreement is non-exclusive, so the City could reduce the use of the contract to zero and appoint another supplier should the contract not be performing. Any appointment of a new MSP provider would have to go through another rigorous procurement process due to the value of the contract.

- *Whether you will be allowing the MSP to submit price variations/increases throughout the life of the call-off agreement? And if so, whether and how these will be controlled/capped*

Response: The fees are fixed for the duration of the whole contract. However, the supplier can apply to increase fees by inflation only, but it is entirely up to the City if it accepts these applications.

Application for Dispensation

I wonder if you could please clarify whether the application for dispensation in relation to the 2025 contract referred to in your letter will be:

- *a retrospective or prospective one*

Response: The Reed Agreement was entered into on 19 February 2025. The City's imminent application for dispensation in relation to the Reed Agreement will therefore be a retrospective dispensation application.

- *purely administrative, or a contested application*

Response: Whether the City's application in relation to the Reed Agreement is contested or not will depend on the responses to the application from affected leaseholders.

- *made as a separate application and not joined with any other application (retrospective or otherwise) that the City may be minded to make, particularly in relation to the past Hays agreement*

Response: The City will make two separate applications but will request that the two applications are case managed together.

I ask this because I am confused by the wording of your letter which suggests that the tendering and mini-competition process for the MSP has already begun both before residents have been informed about it, and before an application to the First-

Tier Tribunal has been made to dispense with the need to consult with leaseholders. Please could you clarify the position.

Response: It is correct that the mini-competition process had already begun at the time of our letter to you in June 2024 and as above the City has now entered into the Reed Agreement and will shortly make a retrospective dispensation application in relation to the Reed Agreement.

Please note that in as far as the City may be looking to enjoin a non-contested, novel and prospective application with a contested and retrospective application in relation to the Hays agreement, this would not seem right, not least from a costs perspective.

I would therefore be grateful if you could indicate what the City proposes to do in terms of these applications, and would be further grateful for your assurance that the costs of such hearings, whether separate or joined, will not be passed on to leaseholders or tenants.

Response: I can confirm that the legal costs incurred by the Corporation in making the dispensation applications in relation to the Hays Agreement and the Reed Agreement will not be passed on to long leaseholders.



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

Case reference	:	LON/00AA/LDC/2025/0734
Properties	:	The Barbican Estate and City of London Housing Revenue Account Estates
Applicant	:	The Mayor and Commonality and Citizens of the City of London
Respondents	:	2,953 leaseholders at the properties
Type of application	:	To dispense with the requirement to consult leaseholders about long-term agreements for the supply of temporary worker services
Judge	:	Judge Professor R Percival
Date of directions	:	29 May 2025

**DIRECTIONS ON AN APPLICATION UNDER SECTION 20ZA OF
THE LANDLORD AND TENANT ACT 1985**

Communicating with the Tribunal

- Unless directed otherwise, all communications to the tribunal, including the filing of documents and bundles, should be by **email ONLY**, attaching a letter in Word format. Emails must be sent to London.RAP@justice.gov.uk and all communications must be copied to the other party or parties at the same time. The attachment size limit is 36MB. Larger files should be uploaded to a secure file sharing website and a web link provided.
- If a party does not have email, access to the Internet and/or cannot prepare digital documents, they should contact the case officer about alternative arrangements.
- Documents prepared for the tribunal should be easy to read. If possible, they should be typed and use a font-size of not less than 12.

Background to the Application

- (A) The Applicant landlord seeks retrospective dispensation under section 20ZA of the Landlord and Tenant Act 1985 from all of the consultation requirements imposed on the landlord by section 20 of the 1985 Act and the regulations made thereunder in respect of two agreements.
- (B) The Applicant entered into agreements with Hays Specialist Recruitment Ltd (“Hays”) on 13 April 2017 and with Reed Specialist Recruitment Ltd (“Reed”) on 19 February 2025 for the supply of temporary staff from July 2017 and July 2025 respectively
- (C) The agreements are Qualifying Long Term Agreements (“QLTAs”) to which section 20 of the 1985 Act and the Service Charges (Consultation Requirements) (England) Regulations (‘the 2003 Regulations’) apply.
- (D) The Applicant has made applications for dispensation in respect of both agreements. The Applicant proposes, and the Tribunal agrees, that the applications should be managed and heard together.
- (E) The Applicant requires an oral hearing of the application

DIRECTIONS

1. The applications in respect of the Hays agreement and the Reed agreement will be heard together.
2. The Applicant landlord must establish an appropriate and well signposted place on its website for documents relating to the applications, such that the following directions may be complied with. If the Applicant wishes to use a dedicated email address for responses from leaseholders (see below), it may do so, and it should in any event add whatever email address it wishes to use on the form attached to these directions before uploading the form to the website.
3. By **7 July 2025**, the Applicant must:
 - Write to each of the leaseholders and to any residential sub-lessee and to any recognised residents’ association concerned by email, hand delivery or first-class post, setting out the following:
 - (a) Informing them of the application;
 - (b) Advising them that a copy of the applications (excluding any respondents’ telephone numbers or email addresses, or any separate list of respondents’ names and addresses), statements of

case, supporting documents and a copy of these directions will be available on the applicant's website, advising them of the URL address, and notifying them that any response to the application should be made by 31 August 2025;

- (c) Informing the leaseholders that if they wish to receive a printed copy of the application and these directions they should write to the applicants, who will then send printed copies (again, (excluding any respondents' telephone numbers or email addresses, or any separate list of respondents' names and addresses));
 - (d) Advise the leaseholders that as the application progresses additional documents will be added to the website, including the final decision of the Tribunal.
- Confirm to the tribunal by email that this has been done and stating the date(s) on which this was done.
4. Those leaseholders who oppose the application must by **31 August 2025**:
- Complete the attached reply form and send it by email to the tribunal; and
 - Send to the Applicant landlord, by email or by post, a statement in response to the application with a copy of the reply form. They should send with their statement copies of any documents upon which they wish to rely.
5. The Applicant may provide as brief as possible reply to any submissions by leaseholders opposing the application by **15 September 2025**.
6. The Applicant must by **13 October 2025**:
- Prepare a digital, indexed and paginated Adobe PDF bundle of all relevant documents for use in the hearing of the application, containing all of the documents on which the Applicant landlord relies, including the application form, these and any subsequent directions, copies of any replies from the leaseholders and any relevant correspondence with the tribunal;
 - Upload a copy of the bundle to their website;
 - Write to each of the leaseholders who have sent a reply form to oppose the application, by email and/or post, providing them with a link to the uploaded bundle or, if they request one, a paper copy of the bundle;
 - Also send an email to the tribunal at London.Rap@justice.gov.uk with a similar link to the uploaded bundle, that can be downloaded by the tribunal. The subject line of the email must read: "BUNDLE FOR HEARING: LON/00AA/LDC/2025/0734".

Hearing

7. The parties may if they wish (but are not obliged to) provide the tribunal and the other parties with a concise written summary of their case (referred to as a “skeleton argument”) **three days** before the date of the listed hearing.
8. The hearing will take place on **13 November 2025** as a face to face hearing, at **10 Alfred Place, London WC1E 7LR**, starting at 10.00 am.
9. The hearing is estimated to last for **one day**. The hearing should end in time for the tribunal to deliberate on its decision. If any party considers that this is an unrealistic estimate, they should write to the tribunal (and send a copy to the other party), explaining why, no later than two weeks prior to the hearing date.
10. A party who is intending to rely upon oral witness evidence at the hearing must provide the witness with either a printed copy of the hearing bundle, or a device upon which a digital bundle may be accessed, for use at the hearing.
11. The tribunal will be using the digital hearing bundles provided, unless it directs otherwise.
12. If any witness, including a party intending to give evidence themselves, intends to give oral evidence at the hearing from somewhere outside the United Kingdom, that party must request from the case officer the *Guidance Note for Parties: Evidence from Abroad* **as soon as possible**. The processes laid out in that Guidance Note are those that must be followed. The Tribunal cannot offer any other assistance with the process, which is the responsibility of the person wishing to give evidence from abroad to follow. Failure to follow the process outlined in the Guidance is likely to result in you or your witness being unable to give oral evidence from abroad.
13. The Tribunal will send a copy of its decision to the representative of every represented leaseholder and to any unrepresented leaseholders, who have completed and returned the reply form attached to these directions.
14. The Applicant must either send a copy of the tribunal’s decision and appeal rights to all leaseholders, or upload a copy of the Tribunal’s decision and appeal rights on their website **within 7 days of receipt** and must maintain it there for at least three months.

Applications

15. Applications for further directions, interim orders, variations of existing directions, or a postponement of the final hearing/determination must be made using form Order 1¹.

¹ Form Order 1 is available at <https://www.gov.uk/government/publications/ask-the-first-tier-tribunal-property-chamber-for-case-management-or-other-interim-orders>

Non-Compliance with Directions

16. If the **Applicant** fails to comply with these directions the tribunal may **strike out** all or part of their case pursuant to rule 9(3)(a) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 (“the 2013 Rules”).
17. If a **Respondent** fails to comply with these directions the tribunal may bar them from taking any further part in all or part of these proceedings and may determine all issues. against it pursuant to rules 9(7) and (8) of the 2013 Rules.

Name: Judge Professor R Percival

Date: 29 May 2025

Attached: Reply Form for Leaseholders

Case Reference:	LON/00AA/LDC/2025/0734
Property:	The Barbican Estate and City of London Housing Revenue Account Estates

ONLY COMPLETE AND RETURN THIS FORM IF YOU OBJECT TO THE APPLICATION

If you do object please complete and return this form to:

The First-tier Tribunal Property Chamber (Residential Property) **by email** to: London.RAP@justice.gov.uk

And send a copy to the landlord's representative:

Mr Andrew Cusack, Principal Lawyer, The City Solicitor's Department, The City of London Corporation, P.O. Box 270 Guildhall, London EC2P 2EJ **by email** to: andrew.cusack@cityoflondon.gov.uk

	Yes	No
Have you sent a statement in response (as per direction 2) to the landlord?	<input type="checkbox"/>	<input type="checkbox"/>
Do you wish to request an oral hearing?	<input type="checkbox"/>	<input type="checkbox"/>
Name address of any spokesperson or representative appointed for the leaseholder:		

Please also complete the details below:

Date:	
Signature (can be digital):	
Print Name:	
Address of affected property:	
Your correspondence address (if different):	
Telephone:	
Email:	

STATEMENT OF OBJECTION

Case reference: LON/00AA/LDC/2025/0734

**Application by the City of London Corporation for a dispensation
from the consultation requirements in relation to temporary worker
contracts**

Name of objector: Richard Tomkins

Status of objector: Barbican Estate leaseholder

Address of objector: Flat 333 Lauderdale Tower
Barbican
London EC2Y 8NA

Introduction

1. This is an objection to the City's application for a dispensation in respect of the Hays agreement. It is an objection to that part of the application relating to the Barbican Estate.
2. The basis of this objection is that the City's failure to consult Barbican Estate leaseholders before entering into the Hays agreement was egregious and resulted in substantial prejudice to leaseholders.
3. The reasons why the City's failure to consult in this instance was egregious are set out in paragraph 10 below. In particular:
 - i. The City made no attempt of any kind to carry out a consultation before entering into the agreement nor did it subsequently disclose the contract's existence until compelled to do so.
 - ii. The sums involved were large. The sums charged to Barbican Estate leaseholders for temporary workers during the course of the Hays agreement totalled £3,004,632.
 - iii. The City entered into the Hays agreement on 13 April 2017, eight years ago. It has allowed an unreasonable amount of time to pass before making this application.

Relevant principles

4. The relevant authority is the Supreme Court ruling in *Daejan Investments Limited v Benson and others*.

5. The relevant principles are set out in [65] to [74] of the judgment. The following three principles are of particular relevance here:

- i. The LVT should be sympathetic to the tenants and their arguments since it is the landlord who is at fault in having failed to comply with the statutory requirements. [67] [68] and [69].
- ii. If the tenants show that, because of the landlord's non-compliance, they were unable to make a reasonable point which if adopted would have reduced their costs or resulted in some other advantage, the LVT will be likely to proceed on the assumption that the point would have been accepted by the landlord. [67]
- iii. **The more egregious the landlord's failure, the more readily an LVT will be likely to accept that the tenants have suffered prejudice.** [67] (Emphasis added.)

Barbican Estate governance

6. As a preliminary it is necessary to explain that the governance arrangements for the Barbican Estate are entirely different from those applying to the City's social housing estates (referred to as "the HRA estates" in the City's application).

7. The Barbican Estate has not at any time since its construction incorporated any social housing. It was built by the City in the 1960s and 1970s as an up-market residential development for middle-to-high income professionals. In addition to paying the full market cost of renting or buying their properties, Barbican Estate residents were additionally expected to pay the full cost of all services provided to the estate by the landlord (the City) through their quarterly service charge.

8. In recognition of the fact that the occupiers were meeting the full cost of running the Barbican Estate, the City considered it appropriate that Barbican residents should have a strong say in the governance and management of the estate. Accordingly the City introduced a unique governance structure for the Barbican Estate by establishing the following two committees:

- i. The Barbican Residential Committee, a full standalone committee of common councillors meeting on the same quarterly basis as other City committees but with one responsibility only: the governance and management of the Barbican Estate. Currently most common councillors on this committee represent wards in which Barbican Estate leaseholders form most or a substantial part of the electorate.

- ii. The Barbican Estate Residents Consultation Committee (known as “the RCC”), a sub-committee of the above-named Barbican Residential Committee meeting on the same quarterly basis. The RCC is the residents’ committee consisting of one representative from each of the 20 residential blocks on the Barbican Estate. Its purpose is to advise its parent committee on all matters affecting the Barbican Estate, particularly service charge matters. Its terms of reference include a duty to “work towards a partnership approach to management” and to “identify service charge items and monitor service charge costs, receiving reports of all accounts relating to the estate.”

9. As a result of this unique governance structure Barbican Estate leaseholders and their representatives are actively involved in the management of the estate. At its quarterly meetings the RCC holds the City to account for the level of services provided and the cost of providing those services, ensuring as far as possible that agreed service standards are met and that service charge expenditure is reasonably incurred.

The Hays agreement

10. The City acknowledges that it entered into the Hays agreement on 13 April 2017 without consulting leaseholders as required by S20 of the 1985 Act. However its wrongdoing in respect of the Hays agreement goes far beyond that, as follows:

- i. The contract with Hays was not a fixed sum contract. It was an open-ended contract that exposed leaseholders to potentially unlimited expenditure. It was therefore essential that spending under the contract should be closely monitored to ensure that the spending was justifiable and kept at an acceptable level. However, the City did not seek or obtain the approval of the Barbican Residential Committee before entering into the contract nor did it advise the residents’ subcommittee, the RCC, that it intended to do so. As a result those bodies responsible for the governance and management of the estate were unaware of the contract’s existence and were unable to put in place mechanisms to ensure that spending under the contract was monitored and kept under control.
- ii. Having entered into the contract without the knowledge or agreement of the Barbican Residential Committee, the RCC or the leaseholders themselves, the City then kept those bodies in ignorance of the contract’s existence by declining to make reference to the contract at any time and by declining to identify the levels of expenditure incurred under the contract in the annual service charge accounts. So even after the contract had come into effect, leaseholders and their representatives had no means of scrutinising or challenging the sums being spent under the contract.

- iii. On 26 August 2021, on behalf of the Lauderdale Tower RTA which at the time I chaired, I wrote to the City challenging the use of agency lobby porters in our block and in doing so asked whether it was possible that the City had entered into a qualifying long term agreement for the supply of temporary workers without consulting leaseholders. In spite of a stream of reminders the City steadfastly refused to reply to this inquiry. Eventually, on 27 January 2022, I wrote to the MP for the Cities of London and Westminster, to the City's town clerk and chief executive and to the chairman and members of the City's Barbican Residential Committee asking for their assistance in compelling the City to provide an answer. This at last produced a response from the City on 10 February 2022, six months after my inquiry, in which the City disclosed for the first time the existence of the Hays agreement and conceded that it should have consulted leaseholders before entering into it.
- iv. The City states in paragraph 14 of its Hays grounds that it failed to consult leaseholders before entering into the Hays agreement because "it was not... immediately apparent that the £100 cost threshold for each unit had been crossed." What the City does not disclose is that the use of temporary workers on the Barbican Estate was far from new in 2017 and that the £100 threshold had often been crossed in previous years. So in fact it was readily apparent that the £100 threshold would continue to be crossed under the Hays agreement. This is not therefore a valid explanation as to why the City failed to consult.
- v. The dispensation application that the City is now asking the tribunal to consider relates to a qualifying long term agreement that the City entered into on 13 April 2017. That was more than eight years ago. A question arises as to whether it is reasonable for the City to have allowed such a long time to pass before applying for a dispensation. It stretches credibility to suppose that a public sector body of the City's size and stature, with its own in-house legal department, was unaware from the outset that the Hays agreement was a qualifying long term agreement but regardless the City was indisputably aware of the fact from 26 August 2021 for the reasons set out in sub paragraph (iii) above. The City has not adequately explained why it delayed and prevaricated for so many years before eventually making this dispensation application.
- vi. The City has not disclosed in its grounds that it had a contract in place for the supply of temporary workers before 2017. This only became apparent yesterday (28 August 2025) when the City belatedly answered a disclosure request made by me more than three weeks earlier. The City has today (29 August 2025) indicated in response to further questions that the contract was not accompanied by a S20 consultation or by any dispensation from the consultation requirements.

Relevant prejudice

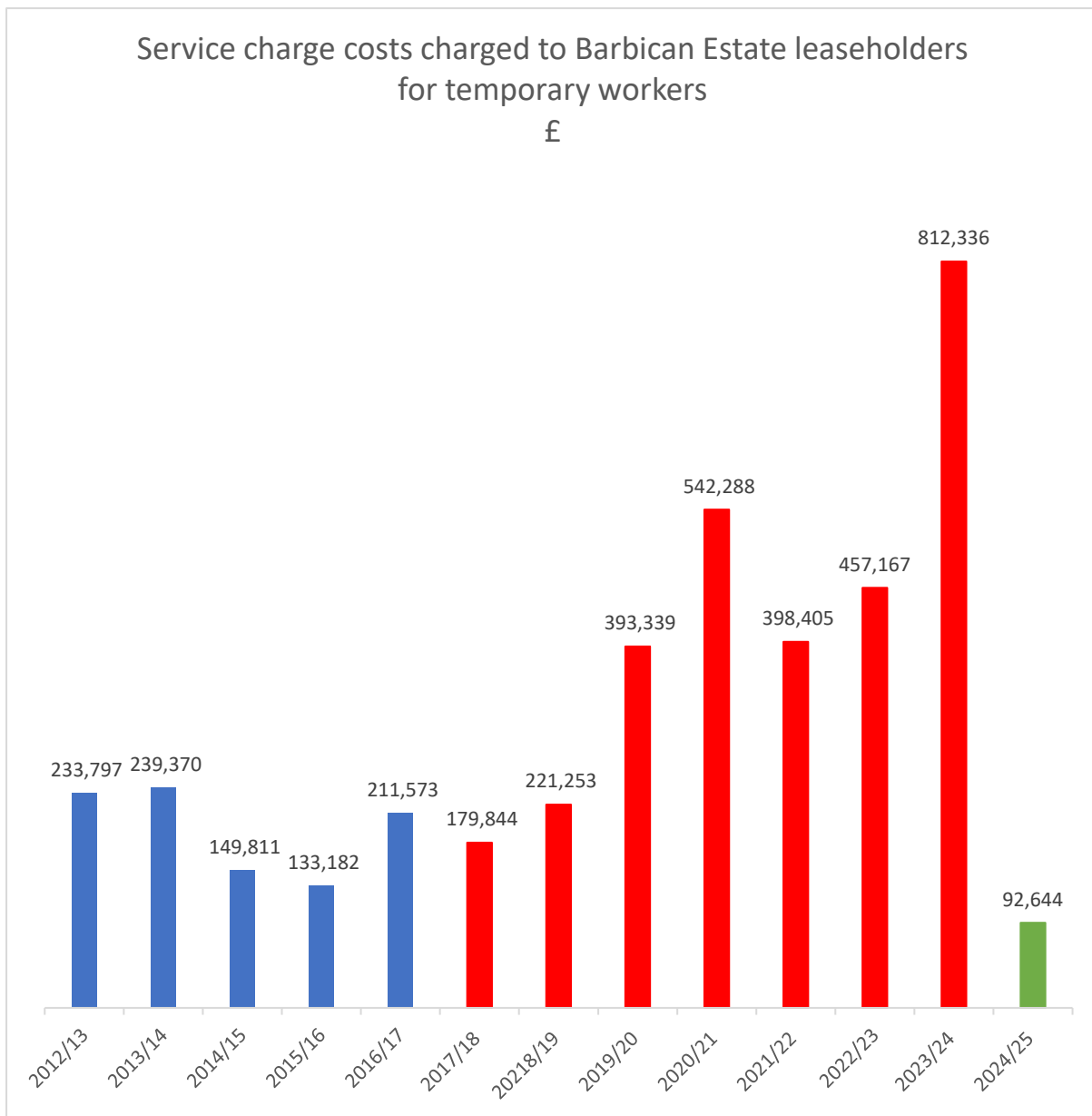
11. The basis of this objection is that, because the City entered into the Hays agreement without consultation, Barbican Estate leaseholders ended up paying for unnecessary services and for services that were provided to a defective standard and that this would not have happened if a consultation had taken place. The evidence is as follows.

12. Because no consultation took place, Barbican Estate leaseholders had no opportunity to ensure that the Hays agreement was accompanied by transparency and accountability over its use. In the absence of transparency or accountability, the City's employees were at liberty to use as many temporary workers as they liked secure in the knowledge that the cost of doing so would never be disclosed to leaseholders in the service charge accounts and could never be scrutinised or challenged.

13. This lack of transparency and accountability gave rise to the excessive use of temporary workers. Excessive use was further encouraged by ease of use since temporary workers could be summoned by any City employee with a login and password for the Hays portal.

14. Evidence that leaseholders were required to pay for unnecessary services includes the following.

- i. It was documented in a December 2022 consultancy report known as the Altair Report that the Barbican Estate was poorly managed with temporary workers being used to cover for poor resource planning, poor holiday planning and sickness absences running at three times the national average. In addition, the report found that temporary workers accounted for more than 20 per cent of the total number of cleaners, car park attendants and lobby porters on the Barbican Estate.
- ii. The consultants' findings are reflected in the bar chart on the next page. The blue bars represent the years before the Hays agreement came into effect while the red bars represent the years covered by the Hays agreement. The single green bar represents the estimated spending on temporary workers for the current year.
- iii. It can be seen from the red bars that, certainly in the later years, spending under the Hays agreement reached extraordinarily high levels. In fact average annual spending on temporary workers more than doubled, rising from an average of £193,547 a year during the blue bar period to £429,233 a year during the red bar period of the Hays agreement.
- iv. As long as the excessive spending was concealed, it continued. But once it was exposed, it stopped. This is shown by the green bar in the chart which represents the estimated spending on temporary workers for the current year under the new Reed agreement which has been introduced with consultation, transparency



Source: Excel chart representation of data provided by City of London Corporation

and accountability. The contrast with the level of spending under the Hays agreement is striking.

- v. The documents attached to the Reed dispensation application demonstrate a transformation of the City’s approach to the use of temporary workers. This transformation introduces precisely the transparency and accountability that was absent during the period of the Hays agreement. The main elements of this transformation are set out in the four bullet points in Mr Daniel Sanders’ letter to leaseholders on page 34 of the Reed application PDF posted on the City’s website. Other elements are set out in Mr Daniel Sanders’ letter to the Barbican Association on page 42 of the Reed application PDF and in the pages following.

- vi. In paragraph 22.2.2 on page 13 of its Hays agreement grounds, the City states:

The cost of an individual agency worker is generally cheaper than the cost of a full-time employee.

This is disingenuous since it implies that the use of temporary workers results in a cost saving. In fact, the use of temporary workers to cover for holiday and sickness absences doubles the cost to leaseholders because leaseholders are required to pay not only the wage costs of the temporary worker but also the wage costs of the absent employee.

15. Evidence that leaseholders were required to pay not only for unnecessary services but for services of a defective standard is as follows.

- i. It goes almost without saying that a temporary worker supplied by an outside agency will rarely if ever perform his or her duties as effectively as a fully-trained, permanent member of staff. For this reason the use of temporary staff is generally unpopular with Barbican Estate leaseholders since it tends to result in a decline in standards.
- ii. As stated in sub paragraph 14 (i) above the Altair report of December 2022 found that, under the Hays agreement, temporary staff accounted for more than 20 per cent of the total number of cleaners, car park attendants and lobby porters on the Barbican Estate. Therefore the decline in standards would have been widespread.
- iii. On page 43 of the Reed application PDF the then chair of the Barbican Association (the RTA for the whole of the Barbican Estate) asserts in response to the consultation on the Reed agreement:

The use of temporary staff often leads to a drop in service standards.

On behalf of the City, Mr Daniel Sanders responds:

Agreed – it is our ambition this contract [the new Reed agreement] should only be drawn upon as a last resort when we cannot cover internally.

The above exchange confirms an acceptance by landlord and leaseholders alike that the services provided by temporary workers are not generally of a satisfactory standard.

- iv. As stated in sub paragraph 14 (vi) above, the use of temporary workers to cover for holiday and sickness absences doubles the cost to leaseholders because leaseholders are required to pay not only the wage costs of the temporary

worker but also the wage costs of the absent employee. Therefore the excessive use of temporary workers under the Hays agreement frequently resulted in leaseholders paying, broadly speaking, double the cost for services that were only half as good.

What would have happened if consultation had taken place

16. It is not necessary to engage in speculation as to what would have happened if the City had consulted before entering into the Hays agreement because a direct comparison can be made with what happened in the case of the Reed agreement, where the City did consult. By comparing the outcome of consultation in the case of the Reed agreement, it is a straightforward matter to determine what would have happened if the City had consulted before entering into the Hays agreement.

17. If the City had consulted:

- i. Barbican Estate leaseholders would have been fully aware of the existence of the Hays agreement. They would have been alerted to the risk that the City and its employees could make excessive use of the contract if safeguards and controls were not put in place to prevent this.
- ii. Barbican Estate leaseholders would have insisted that the decision to enter into the Hays agreement should be subject to the approval and oversight of the estate's governing bodies, the Barbican Residential Committee and the RCC. As in the case of the Reed contract, the City would have agreed to this.
- iii. As in the case of the Reed agreement, the City would have agreed that the use of the Hays agreement on the Barbican Estate would be subject to full transparency and accountability including quarterly reports to the Barbican Residential Committee and the RCC detailing the level of use of temporary workers each quarter and the consequent cost to leaseholders.
- iv. As in the case of the Reed agreement, the City would have agreed that temporary workers should only be used as a last resort and that limitations would be put in place to ensure that only employees with the appropriate level of authority would be permitted to summon them.
- v. As in the case of the Reed agreement, the result of the above measures would have been a very much lower level of spending. The green bar on the bar chart shows that the estimated spending on temporary workers in the first year of the Reed agreement is expected to be £92,644, a small fraction of the £812,336 estimated to have been spent in the last year of the Hays agreement.

Quantifying the prejudice

18. The Reed agreement has been introduced with an appropriate level of consultation and a commitment to transparency and accountability. Under the Reed agreement spending on temporary workers in the Barbican Estate is estimated to be £92,644 in the first year. This figure may therefore be taken to represent a reasonable level of spending on temporary workers for the Barbican Estate.

19. Under the Hays agreement there was no consultation, no transparency and no accountability and as a result annual spending on temporary workers was very much higher. The extent of the prejudice may be simply expressed as the difference between the reasonable level of £92,644 established by the Reed agreement and the actual spending on temporary workers in any given year.

20. In practice, the City only requires a dispensation for spending above the statutory minimum of £100 per leasehold property. In the case of the Barbican Estate, the City states that there are 2,014 leasehold properties and therefore broadly speaking the City can collect £201,400 a year (2,014 x £100) from Barbican Estate leaseholders without the need for any dispensation.

21. This figure of £201,400 is already far in excess of the reasonable level of £92,644 established by the Reed agreement and even exceeds the sums spent in the early years of the Hays agreement. Therefore no dispensation is necessary or justified for the Hays agreement since the statutory minimum will allow the City to collect sums that are already far in excess of any reasonable level.

The previous S27A application

22. In sub paragraph 22.5 on page 13 of its Hays grounds, the City makes reference to a S27A application previously made to the tribunal. I was the applicant in that case. I made the application because of the City's continuing refusal to submit a dispensation application to the tribunal. The judge said in her ruling that this attempt to force the issue was justified [53].

23. It is important to emphasise that the outcome of that S27A application is not relevant to any Barbican Estate leaseholders other than me, the applicant. The tribunal ruled that

... it would not be fair to make any determination binding on them, given that they have played no part in these proceedings. [11]

24. This ruling was upheld by the Upper Tribunal which refused my request for permission to appeal.

25. I accept that the outcome of that S27A hearing is binding on me personally but in accordance with the tribunal's ruling in that case the determination must not be made binding on any other leaseholders since they were not parties to the proceedings. If they

had been parties they might have made different or better arguments or presented different evidence that would have produced different outcomes.

Conclusion

26. The leaseholders of the Barbican Estate suffered real and substantial prejudice as a result of the City's failure to consult.

27. The City's conduct throughout has fallen far short of the standards expected of public sector bodies. In particular the City has acted unreasonably in allowing more than eight years to pass before applying for a dispensation for an agreement that it entered into on 13 April 2017.

28. Even without a dispensation the statutory minimum will allow the City to collect about £201,400 a year from Barbican Estate leaseholders for the use of temporary workers under the Hays agreement, a figure far in excess of the reasonable level of £92,644 established by the Reed agreement.

29. A dispensation is unjustified and the City's application in respect of the Hays agreement should be refused.

30. The tribunal is asked to direct that none of the City's costs associated with these or earlier proceedings should be allowed to fall upon the leaseholders.

A handwritten signature in black ink, appearing to read 'R. Tomkins', with a stylized flourish at the end.

Richard Tomkins

29 August 2025

THE FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

**IN THE MATTER OF THE BARBICAN ESTATE AND CITY OF LONDON HOUSING
REVENUE ACCOUNT ESTATES**

**AND IN THE MATTER OF A DISPENSATION APPLICATION UNDER S.20ZA OF THE
LANDLORD AND TENANT ACT 1985**

B E T W E E N:

THE MAYOR AND COMMONALITY AND CITIZENS OF THE CITY OF LONDON

Applicant

– and –

2953 LEASEHOLDERS AT THE PROPERTIES

Respondents

REPLY ON BEHALF OF THE APPLICANT

INTRODUCTION

1. This is the Applicant's Reply to the submissions filed in statements from two of the Respondents, Ms Nadia Bouzidi and Mr Richard Tomkins. In accordance with the Tribunal's Directions dated 29 May 2025, this Reply is being kept "*as brief as possible*".
2. Save where the contrary is stated or follows by necessary implication, references to paragraphs or sentences are to those in the Respondents' statements.
3. Further, save for where any allegation is expressly admitted, the Applicant joins issue with each and every statement in those Respondents' statements. Where the Applicant makes specific denials and non-admissions herein, those should be taken without prejudice to this general joinder of issue.
4. Furthermore, both of the Respondents' statements raise matters of evidence. The Applicant is applying for permission to adduce a witness statement addressing those points.

STATEMENT OF NADIA BOUZIDI

5. Ms Bouzidi's statement does not contain numbered paragraphs. The Applicant therefore addresses the themes that arise from her statement, making reference to particular pages where necessary.
6. Furthermore, the Tribunal's directions required the Respondents to "*send with their statement copies of any documents upon which they wish to rely.*" Ms Bouzidi opted not to do so, and when serving her statement on the Applicant said "*I attach the reply form and my statement, without supporting documents since the facts are equally known to each side and we hold the same documentation. If you prefer however, I am very happy to email you a bundle of supporting documents.*". The Applicant's position is that it is now too late for Ms Bouzidi to adduce any documents (and it is denied that the Applicant is already aware of all the facts/ documents on which Ms Bouzidi may wish to rely), and Ms Bouzidi certainly cannot unilaterally do so in the future. The Applicant is entitled to, and does, approach her statement on the basis that no material has been filed in support of her position.
7. As to the general point that the Applicant "*has little regard for the rights of Barbican leaseholders*" and that the Applicant's arrangements with leaseholder bodies and representatives are somehow wrong/ done in bad faith (see e.g. Page 1, Ground (C)), the same is denied. The Applicant takes its obligations to its leaseholders very seriously and holds them in high regard, and the Applicant has only ever acted in good faith.
8. The suggestion that the Barbican Residential Committee ("**BRC**") and/or the Residents Consultation Committee ("**RCC**") and/or the Barbican Association ("**BA**") are improperly constituted/ do not represent leasehold views is denied. It is also a suggestion that is not supported by Mr Tomkins, who sets out the committees' structure at paragraph 8 of his statement and says in paragraph 9 that "*As a result of this unique governance structure Barbican Estate leaseholders and their representatives are actively involved in the management of the estate.*" In any event, it is a suggestion that is irrelevant to these proceedings and the questions that the Tribunal will have to determine.

9. It is further denied (as is suggested at Page 1, Ground (D)) that the structure of committees will mean the Applicant's goals in respect of the Reed contract cannot be achieved. The converse is true; they will actively enable the Applicant to deliver on its objectives and achieve that in conjunction with the leaseholders on its estates. That is demonstrated by the fact that Ms Bouzidi is the only one of the thousands of Respondents to take any issue with the way in which the various committees are structured/ operated.
10. It is accordingly denied that any conditions should be imposed on the grant of dispensation. Without prejudice to the foregoing, if the Tribunal were to consider that certain conditions should be imposed, it should not be those sought by Ms Bouzidi (see the bold text on Page 2) – the Tribunal is concerned with questions of prejudice/ reasonableness of the service charges claimed, and the proposed conditions do not address those questions. The proposed conditions are therefore either outside the scope of what the Tribunal has jurisdiction to impose, or alternatively should be refused as a matter of discretion. Nor can the Tribunal "*withhold[] the dispensation until the Landlord has fully complied*", which is an incomplete submission that is impossible to understand.
11. It is further denied that there are conflicts of interest within the BRC/ RRC/ BA and that the leaseholders will not have due process.

The Hays contract

12. Ms Bouzidi does not identify any relevant prejudice in respect of the Hays contract that justifies (1) the refusal of dispensation, or (2) the imposition of conditions on the grant of dispensation.
13. The fact that, had there been a s.20 consultation process, "*we could have asked that specific conditions were met*" (although no such conditions are actually identified) misunderstands what occurs as part of consultation on a QLTA. It was never possible to comply with the consultation process because of the use of a framework agreement, and in any event the consultation process does not enable leaseholders to require certain conditions be accepted; a landlord need only have regard to any representations that are made, but it need not accept them.

14. It is denied that Speed House was “*largely left uncleaned for a long period spanning around 2022-2023*”, an assertion for which Ms Bouzidi has provided nothing in support. It is further denied that “*there were issues with what Hays was delivering in terms of reliance staff working to a reasonable standard, and with the Landlord’s ability to ensure Hays was delivering adequately*”, which is another assertion made by Ms Bouzidi without proper particularity or any supporting evidence.
15. And whilst the First-tier Tribunal did find that the estimated costs of cleaners in 2023/2024 was unreasonably high (this being the only year and the only charge that was reduced), that finding has already been applied across the affected properties (including that of Ms Bouzidi). There is therefore no further credit to be given.
16. The Applicant maintains its position in respect of the Communication Officer. This was a reasonable charge, as a differently constituted Tribunal has already held. In any event, this single worker does not/ cannot justify the refusal of dispensation and/or the imposition of conditions.

The Reed contract

17. Ms Bouzidi does not identify any prejudice flowing from the failure to consult in respect of the Reed contract, and it is therefore wrong to refuse dispensation/ impose conditions. Reference is made to “*risk*”, but nothing has been particularised let alone evidenced.
18. The Tribunal cannot order the Applicant to “*run a consultation*” (not least because, as it set out in the application itself, this is impossible for framework agreements) as a condition of granting dispensation; that entirely defeats the object of a dispensation application.
19. That does not, of course, preclude Ms Bouzidi bringing a challenge under s.27A of the 1985 Act in due course if there were any unreasonable charges, but that is a separate matter to what the Tribunal is being asked to consider in this application.
20. As above, Ms Bouzidi’s allegations in respect of leaseholders’ rights and representation are denied.

STATEMENT OF RICHARD TOMKINS

21. Mr Tomkins takes no issue with the Reed agreement and focuses only on the Hays agreement.
22. The Applicant makes the general point at the outset that the position contended for by Mr Tomkins is an abuse of process and/or res judicata:
 - 22.1. The First-tier Tribunal has already decided that the service charges in question and levied under the Hays agreement are, subject to one reduction to the 2023/2024 service charge year, reasonable.
 - 22.2. Mr Tomkins however runs the same arguments as have been argued and rejected before.
 - 22.3. Whilst Mr Tomkins seemingly recognises this insofar as it applies to him (see paragraphs 22-25), he nevertheless seeks to argue it on behalf of all other leaseholders (notwithstanding that they have not joined him in his opposition to the application nor have they given him authority to represent them).
23. Even if Mr Tomkins' position is not an abuse of process/ res judicata, it is nevertheless disingenuous for the same reasons. Mr Tomkins is attempting a second bite of the cherry and making submissions that, having attended the trial of his own s.27A application, he knows to be inaccurate and he knows have been rejected.
24. The Applicant now turns to the body of Mr Tomkins' statement.

Introduction

25. It is denied that the leaseholders have suffered “egregious” or “substantial” prejudice. The only arguable prejudice that could have been suffered is the unreasonably high cleaner costs for the 2023/2024 service charge year (as held by the previous Tribunal), however that prejudice has been remedied as the unreasonable costs have not been passed onto leaseholders.

The Hays agreement

26. It is admitted, as is said in paragraph 10(i) that the Hays agreement was open-ended; this was a necessary feature of the contract so that the Applicant could hire temporary workers as

required. It is, however, denied that the failure to consult deprived the BRC or the RRC from putting in place “*mechanisms to ensure that spending under the contract was monitored and kept under control*”. Even if that was technically possible, it was not something that could have been mandated during a consultation process – consultation is with leaseholders only, not the BRC or the RRC, and in any event (as has been said above) the consultation process does not permit leaseholders to impose conditions.

27. Insofar as paragraph 10(ii) suggests that the Applicant deliberately “*kept those bodies in ignorance of the contract’s existence*”, the same is denied.
28. As to paragraph 10(iv), it is admitted that there was a previous contract for temporary workers prior to the Hays agreement. That does not mean that it was apparent the costs charged under the Hays agreement *would* exceed the £100 threshold every year.
29. As to paragraph 10(v), Mr Tomkins is aware of what the Applicant has been doing in respect of dispensation and service charge applications – this has been explained to him in correspondence, in an earlier dispensation application, and as part of his own s.27A application – and it is disingenuous of him to suggest otherwise.

Relevant prejudice

30. The Applicant repeats its position above. The only possible prejudice has already been remedied, and the leaseholders could not impose conditions on the Hays agreement that they thought appropriate. Further, Mr Tomkins’ allegations, and the limited evidence produced to support them, are also contrary to the findings of the previous Tribunal.
31. With regards to the estimated costs under the Reed agreement for 2024/2025, Mr Tomkins is fully aware that his submissions are inaccurate. As was said during the course of his s.27A application, the main reason why the estimated charges for that year are so much lower is because the hiring freeze at the City of London has been lifted, such that the spaces previously filled by temporary workers can be filled by permanent workers. Whilst the spend on temporary workers may go down, therefore, that does not reflect the unreasonableness of the Hays agreement; it reflects workers being employed on different bases.

32. As to paragraph 14(vi), the cost of an individual agency worker is generally cheaper than the cost of a full-time employee. Mr Tomkins' assertion that there are double costs is inaccurate – where there are sickness or holiday absences, the spaces have to be filled one way or another; if Mr Tomkins' does not wish for those spaces to be filled, there would be no cover at all.
33. The assertion in paragraph 15 of services being to a defective standard are also rejected, and Mr Tomkins has provided no evidence of the same. Mere assertion is insufficient.

What would have happened if consultation had taken place

34. The Applicant does not accept Mr Tomkins' analysis. It is speculation with the benefit of hindsight, and the circumstances surrounding the Hays agreement and the Reed agreement are not the same. In any event, it does not identify prejudice suffered as a result of the failure to consult, not least because the previous Tribunal has already held the service charges in question were reasonable in amount and reasonably incurred. The leaseholders could never have "*insisted that the decision to enter into the Hays agreement should be subject to the approval and oversight of the estate's governing bodies*".
35. For the same reasons as are given at paragraph 31 above, paragraph 17(v) is wrong in its analysis and in its conclusions.

Quantifying the prejudice

36. The Applicant repeats what has already been said – the service charges in question have already largely been upheld, and Mr Tomkins' use of £92,644 as being a reasonable charge is wrong.

The previous S27A application

37. Mr Tomkins is right that the decision in his previous application is binding on him alone. However:
- 37.1. That does not mean that Mr Tomkins can seek to ignore and bypass that decision by re-running his same arguments, albeit this time doing so seemingly on behalf of other leaseholders (who do not seek to do so themselves); and

37.2. That does not mean that this Tribunal should not follow the decision of the previous Tribunal. That Tribunal expressly considered the question of reasonableness, there is no new evidence before this Tribunal to justify a different conclusion or demonstrate the previous Tribunal was wrong, and the Tribunal should strive to avoid conflicting decisions wherever possible.

Conclusion

38. There applications should therefore be allowed. Mr Tomkins has not identified any relevant prejudice which has not already been remedied. His submissions should be dismissed as abusive and/or on their merits.
39. Mr Tomkins seemingly makes an application under s.20C of the 1985 Act, but again he has no authority to make that application on behalf of anyone but himself. The merits of that application will be addressed in due course.

EDWARD BLAKENEY

STATEMENT OF TRUTH

The Applicant believes that the facts stated in this Reply are true and I am duly authorised to sign on their behalf. The Applicant understands that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.



Signed:

Name: Andrew Cusack

Dated this 15th day of September 2025



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

Case reference	:	LON/00AA/LDC/2025/0734
Properties	:	The Barbican Estate and City of London Housing Revenue Account Estates
Applicant	:	The Mayor and Commonality and Citizens of the City of London
Respondents	:	2,953 leaseholders at the properties
Type of application	:	To dispense with the requirement to consult leaseholders about long-term agreements for the supply of temporary worker services
Judge	:	Tribunal Judge I Mohabir
Date of order	:	28 October 2025

ORDER

UPON a case management hearing taking place on 28 October 2025

AND UPON hearing Counsel for the Applicant and Ms Bouzidi and Mr Tomkins in person who are the leaseholders objecting to the dispensation application

AND UPON Ms Bouzidi withdrawing her objection to the application

AND UPON Mr Tomkins confirming that he wishes to continue to object to the application

Order

1. The Applicant's application dated 15 September 2025 for permission to admit the witness statement of Mr Dan Sanders dated 7 October 2025 is dismissed.
2. The hearing on 13 November 2025 is to proceed.

3. The Applicant must by **31 October 2025** comply with paragraph 6 of the directions dated 29 May 2025.

Reasons for order

- A. The Tribunal was satisfied that the witness statement of Mr Sanders is unlikely to assist the Tribunal and, if admitted, would result in the loss of the hearing date.

Name: Tribunal Judge I Mohabir

Date: 28 October 2025

BARBICAN ESTATE - Charges incurred under the Hays Agreement in the relevant years

	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	
Lobby Porters	58,118	22,640	36,738	115,153	57,339	50,281	95,237	16,806	
Car Park Attendants	33,186	56,401	32,757	46,985	41,959	78,771	102,912	138,154	
Cleaners	77,308	89,414	247,112	289,452	201,954	255,040	300,000	176,983	
Supervision & Management	11,232	52,798	76,732	90,698	97,153	73,075	137,456	95,968	
<i>Total</i>	<i>179,844</i>	<i>221,253</i>	<i>393,339</i>	<i>542,288</i>	<i>398,405</i>	<i>457,167</i>	<i>635,605</i>	<i>427,911</i>	<i>3,255,812</i>
Over £100 per LH	35,500	28,304	178,782	320,375	183,154	231,165	479,216	273,564	1,730,060

HRA ESTATES - Charges incurred under the Hays Agreement in the relevant years

	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	
Cleaners	41,745.15	60,612.50	103,484.43	161,284.53	249,294.39	440,853.02	118,615.68	40,133.48	
Gardening & Grounds	0.00	0.00	0.00	28,203.06	37,137.28	0.00	4,527.00	1,023.84	
Supervision & Management	8,254.69	19,037.69	33,564.47	39,408.44	59,155.52	74,843.75	108,818.34	67,669.98	
<i>Total</i>	<i>49,999.84</i>	<i>79,650.19</i>	<i>137,048.90</i>	<i>228,896.03</i>	<i>345,587.19</i>	<i>515,696.77</i>	<i>231,961.02</i>	<i>108,827.30</i>	<i>1,697,667.24</i>
Over £100 per LH	0	1,480.77	19,349.38	78,997.47	174,729.86	305,186.09	83,970.47	17,046.16	680,760.20

BARBICAN ESTATE - Estimated Service Charges 2025/2026 - Temporary Workers

	2025/2026
Lobby Porters	£75,000
Car Park Attendants	£64,000
Cleaners	£10,000
Supervision & Management	£16,923
	£165,923

DATED

6th August

1999

CORPORATION OF LONDON

- to -



LEASE

Flat:



Block:

LAUDERDALE TOWER

Barbican Estate

Sharpe Pritchard
Elizabeth House
Fulwood Place
London WC1V 6HG
DX 353 London
Tel: 0171 405 4600
Fax: 0171 242 2202
DM/4669/146
RbII - FREEHOLD REVERSION

R.15701

ESTATE: BARBICAN - Freehold Reversion - Voluntary Sales



50p
WKT
B
16/8

H.M. LAND REGISTRY
LAND REGISTRATION ACTS 1925 to 1971

CITY OF LONDON

TITLE NO. LN242267

Property: Land and buildings between Barbican and Beech Street on the North, London Wall and Fore Street on the South, Aldersgate Street on the West and Moor Lane on the East.

THIS LEASE is made on the 6th day of August One thousand nine hundred and ninety nine **B E T W E E N THE MAYOR AND COMMONALTY AND CITIZENS OF THE CITY OF LONDON** (hereinafter called "the Corporation" which expression shall where the context so requires or admits include the person for the time being entitled to the reversion immediately expectant on the determination of the term hereby granted) of the one part and [REDACTED] both of [REDACTED] (hereinafter called "the tenant" which expression shall where the context so requires or admits include the successors in title of the tenant) of the other part

W H E R E A S :-

(1) The Corporation is registered at H.M. Land Registry under the above-mentioned Title Number as proprietor of the above-mentioned property comprising the premises hereby demised and other premises and forming part of the property which is shown edged red on Plan A annexed hereto upon which have been erected certain blocks of flats and other buildings and upon which have been laid out certain roads paths forecourts and gardens for use and enjoyment therewith (all

which premises are hereinafter referred to as "the Barbican Estate")

(2) This Lease is executed by the Corporation in pursuance of the powers conferred by Part II of the Housing Act 1985 and of all other powers enabling the Corporation so to do

NOW THIS DEED WITNESSETH :-

1. (i) UNLESS the subject or context otherwise requires in this Deed:

"the accounting period" means such period as the Corporation may in its discretion from time to time determine as being that in respect of which accounts of the Corporation generally or relating to the estate the Barbican Estate or the Building shall be drawn up

"the Architect" means the City Architect and Planning Officer of the Corporation

"the Building" has the same meaning as in Clause 2 hereof

"the Chamberlain" means the Chamberlain of London

"the Comptroller" means the Comptroller of the Chamber and Bridge House Estates and City Solicitor

"the estate" means those parts of the Barbican Estate used for or wholly or partly in connection with residential purposes within the area shown edged red on Plan A annexed hereto

"the Housing Act 1980" means as amended by the Housing and Building Control Act 1984

"the Manager" means the Managing Director of the Barbican Estate

"the Secretary of State" means the Secretary of State for the Environment

"the premises" has the same meaning as in Clause 2 hereof

"the public services building" means the building on the Barbican Estate known as such at the date hereof

"a tower block" means any of those buildings on the estate known as Cromwell Tower Lauderdale Tower and Shakespeare Tower

"a terrace block" means any of the buildings on the estate other than a tower block

- (ii) Whenever the tenant shall be more than one person the obligations of the tenant shall be deemed to be joint and several
- (iii) Reference to any Officer of the Corporation shall be deemed to include where the context so admits any person or body corporate for the time being appointed for the purpose of performing his functions hereunder
- (iv) Every wall separating the premises from any adjoining property shall be a party wall severed medially and shall be included in the premises hereby demised only as far as the medial plane thereof
- (v) Nothing herein contained shall operate or be deemed in any way to waive diminish or affect any existing or future powers and duties of the Corporation in relation to the premises in any capacity other than its capacity as owners of the reversion expectant on the determination of the term
- (vi) Nothing in this Deed shall be construed or shall be operated so as to be contrary to any enactment or rule of law
- (vii) If during the term hereby granted any provision or part of this Lease whether wholly or to any extent is made void by any enactment passed before on or after the date hereof or is held to be void for any reason by any Court of Law the Corporation and the tenant shall agree under seal such terms as are reasonable to give effect insofar as it may be lawful so to do to the general intention of the original parties hereto to replace such provision or part so avoided and the Corporation and tenant shall further agree such transitional consequential or incidental provisions as may be reasonable and in default of agreement any dispute or difference shall be determined by arbitration in accordance with the provisions of Clause 8 hereof

(viii) If during the term hereby granted it appears in consequence of a decision of a Court of Law relating to any other flat house premises or building on the Barbican Estate that any provision or part of this Lease might be liable to be held void either wholly or in part for any reason by a Court of Law or that the Corporation might not be able to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof (insofar as it may be lawful for the Corporation so to do) the Corporation and the tenant shall agree under seal such terms as are reasonable and give effect insofar as it may be lawful so to do to the general intention of the original parties hereto to replace such provision or part either wholly or in part or to enable the Corporation so to demand or recover the whole of its costs and expenses in providing repairs and services to the estate or any part thereof and the Corporation and the tenant shall further agree such transitional consequential or incidental provisions as may be reasonable and in default of agreement any dispute or difference shall be determined by arbitration in accordance with the provisions of Clause 8 hereof

(ix) Where anything contained herein is to be defined calculated identified or otherwise determined by reference to any other thing (for example and without prejudice to the generality of the foregoing an enactment index or rate) and that other thing ceases to exist then unless and to the extent that provision is otherwise made herein the Corporation and the tenant shall agree under seal such terms as are reasonable and give effect insofar as it may be possible so to do to the general intention of the original parties hereto to replace the reference to such other thing and the Corporation and the tenant shall further agree such transitional consequential or incidental provisions as may be reasonable and in default of agreement any dispute or difference shall be determined by arbitration in accordance with the provisions of Clause 8 hereof

(x) the respective boundaries of the estate and the Barbican Estate shall notwithstanding any plan used herein be a question of fact

2. IN consideration of the sum of FOUR HUNDRED AND SEVEN THOUSAND POUNDS (£407,000.00) (the receipt of which sum the Corporation hereby acknowledges) and of the rents and covenants hereinafter reserved and contained and on the part of the tenant to be paid observed and performed the Corporation hereby demises unto the tenant ALL THAT the premises (hereinafter called "the premises") shown coloured pink on Plan B attached hereto numbered 333 and being on the Thirty Third floor of the building known as LAUDERDALE TOWER shown on Plan A annexed hereto (hereinafter called "the Building") including any balcony contiguous to the premises and one half part in depth of the structure between the floors of the premises and the ceilings of the property below it and of the structure between the ceilings of the premises and the floors of the property above it (but if applicable excluding the foundations of the Building below the premises and the land beneath the foundations or the roof of the Building above the premises and the space above the roof) and also including (subject to Clause 1(iv) hereof) the internal and external walls between such levels but excluding any pipes mains conduits wires or services within the premises other than those solely serving the premises TOGETHER WITH the easements rights and privileges mentioned in the First Schedule hereto subject as therein mentioned but EXCEPTING AND RESERVING such easements and rights as are mentioned in the Second Schedule hereto TO HOLD the same unto the tenant from the First day of July One thousand nine hundred and eighty one to expire upon the First day of July Two thousand one hundred and six paying therefor yearly during the said term the rent of TEN POUNDS (£10.00) in advance on the First day of April in each year free of all deductions whatsoever the first of such annual

payments being made on the First day of April Two thousand and a proportion of such annual rent for the period from the execution hereof until the said day on which the first such payment shall be made shall be paid on the execution hereof SUBJECT to the restrictive covenants (if any) set out in the Third Schedule hereto

3. FOR the purposes of Clause 6(1) hereafter

"building society" means a building society within the meaning of the Building Societies Act 1962 or the Building Societies (Northern Ireland) Act 1967

"lending institution" means the Housing Corporation or any of the bodies specified in paragraphs 6 to 9 of the Schedule to the Home Purchase Assistance and Housing Corporation Guarantee Act 1978 and any body specified or of a class or description specified in an order made by the Secretary of State with the consent of the Treasury

4. THE tenant hereby covenants with the Corporation that the tenant will throughout the said term granted:-

- (1) Pay the said rent at the time and in the manner aforesaid without any deduction at the office of the Chamberlain
- (2) Bear and pay the Poor and General rates and all other taxes rates charges assessments duties outgoings and impositions whatsoever parliamentary municipal or parochial whether of a capital or recurring nature which now are or at any time during the term shall be charged assessed or imposed upon the premises or upon the landlord or tenant thereof in respect of the same and whether any such future taxes rates charges assessments duties outgoings or impositions shall or shall not be in the nature of those now in being and in the event of any rates taxes charges assessments duties outgoings or impositions being assessed charged or imposed in respect of the Building or estate or in respect of the Barbican Estate to pay such proportion of such rates taxes charges assessments duties



BARBICAN ESTATE OFFICE
ST ALPHAGE HOUSE
2 FORE STREET
LONDON EC2Y 5DF

Handwritten signature



**Barbican Estate,
Managing Director**

Mrs. S. Benjamins, FRICS MCIH
Managing Director,
Barbican Estate Office,
Corporation of London.

Tel: 0171-628-4341

<p>Project BARBICAN RESIDENTIAL ESTATE, LONDON EC2</p>	<p>Drawing 333 LAUDERDALE TOWER Plan B 128</p>
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outgoings or impositions as may reasonably be attributable to the premises

- (3) (a) Pay to the Corporation in the manner and at the times hereinafter described a reasonable part of the costs of carrying out specified repairs and of insuring against risks involving specified repairs
- (b) The Corporation shall as soon as reasonably practicable after the end of each accounting period calculate the costs in relation to that accounting period and as soon as reasonably practicable thereafter the Corporation shall send to the tenant a statement in writing of the costs as calculated by the Corporation which statement shall include a summary of how the costs are made up
- (c) Subject to sub-paragraph (d) below the Corporation may demand in writing from the tenant a reasonable part of the costs in respect of any accounting period not earlier than the date on which the Corporation sends to the tenant the statement of costs for that accounting period and within fourteen days of the service upon the tenant of the said demand the tenant shall pay to the Corporation without deduction at the office of the Chamberlain the sum demanded provided that (i) where the sum demanded in respect of any accounting period has been calculated by reference to estimated costs to be incurred in any accounting period and after the costs which were so estimated have been incurred it appears that the costs so incurred were more or less than the costs as estimated or (ii) where a preliminary demand or demands has or have been made in respect of any accounting period and the sum hereinbefore demanded in respect of that accounting period is more or less than the sum demanded or the aggregate of the sums demanded by the said preliminary demand or demands then any necessary adjustment may (without prejudice to any other method of adjustment which the Corporation may in its

discretion decide upon in any particular case or class of case) be made by increasing or reducing any sum which would otherwise be payable hereunder

- (d) (i) The Corporation may before the end of any accounting period but not earlier than three months before the beginning of the said accounting period serve upon the tenant a demand or demands for payment of a sum on account of the sum it will demand under sub-paragraph (c) hereof in respect of that accounting period (each of which demands is hereinafter referred to as "a preliminary demand") and within fourteen days of the service upon the tenant of a preliminary demand the tenant shall pay to the Corporation without deduction at the office of the Chamberlain the sum demanded in the preliminary demand
- (ii) The Corporation may serve not more than four preliminary demands in respect of any accounting period and shall not serve any preliminary demand within ten weeks of any earlier preliminary demand
- (iii) The preliminary demand or demands shall not be for a sum in excess of that which the Corporation reasonably believes that it will demand under sub-paragraph (c) hereof in respect of the said accounting period and in considering what sum it will so demand under sub-paragraph (c) the Corporation shall disregard for the purpose of this sub-paragraph any sum which in its opinion if included in the said demand under sub-paragraph (c) would be likely to be a part of that demand which relates to a major item (as that expression is defined in Clause 6(1) hereof)
- (e) In this paragraph:-
"the costs" means the costs of carrying out specified repairs and of insuring

against risks involving specified repairs and it is hereby agreed and declared for the avoidance of doubt:

- (i) that such costs may include both costs or estimated costs incurred or to be incurred in any accounting period (whether that accounting period be the accounting period in respect of which the demand is made or an earlier or later accounting period) of carrying out specified repairs and of insuring against risks involving specified repairs; and
- (ii) that such costs may include such reasonable interest charges as the Corporation shall have incurred in financing the carrying out of specified repairs and of insuring against risks involving specified repairs or alternatively (in so far as the Corporation has used its own monies to finance the same) a sum equal to the amount of reasonable interest charges which the Corporation would have incurred had the Corporation borrowed monies to finance the same to represent the cost to the Corporation of foregoing the use of the monies employed in financing the same; and
- (iii) that such costs may include any costs of professional fees and management which the Corporation has incurred incurs or may incur upon or in connection with the carrying out of specified repairs and of insuring against risks involving specified repairs

"deemed rights" means rights arising in favour of the tenant by virtue of Schedule 2 to the Housing Act 1980 had this grant been made in exercise of the right to buy conferred by Chapter I of Part I of that Act and includes the rights specified in the First Schedule hereto

"a reasonable part" shall be 0.8308 per cent PROVIDED THAT where the term hereby granted commences during an accounting period then "a reasonable part" for that initial accounting period shall be such proportion of the percentage hereinbefore specified as "a reasonable part" as the part of the said initial accounting period remaining after the commencement of the term hereby granted bears to the said initial accounting period as a whole; except that where the costs for the said initial accounting period are calculated wholly or in part by reference to costs to be incurred in any later accounting period then "a reasonable part" for that initial accounting period shall be the aggregate of (i) the said percentage hereinbefore specified as "a reasonable part" in relation to such of the costs as are calculated by reference to costs to be incurred in any later accounting period; and (ii) such proportion of the said percentage hereinbefore specified as "a reasonable part" as the part of the said initial accounting period remaining after the commencement of the term hereby granted bears to the said initial accounting period as a whole in relation to the remainder of the costs AND PROVIDED FURTHER THAT in respect of the cost of specified repairs mentioned in sub-paragraph (iii) below "a reasonable part" shall be 0.8308 per cent of the whole of the said cost if reasonably chargeable in relation to the use of the Building and otherwise of such part of the said cost as shall be reasonably chargeable in relation to the use of the Building

"specified repairs" means repairs carried out in order:

- (i) to keep in repair the structure and exterior of the premises and of the Building in which they are situated (including drains gutters and external pipes) not amounting to the making good of structural defects;

- (ii) to make good any structural defect of whose existence the Corporation has notified the tenant before the date hereof (such defects being listed in the Fourth Schedule hereto) or of which the Corporation does not become aware earlier than ten years after the grant hereof; and
- (iii) to keep in repair any other property over or in respect of which the tenant has any deemed rights

"the statement of costs" means the statement described in sub-paragraph (b) hereof

- (4) (a) Pay a service charge of an amount in the manner and at the time hereinafter described

- (b) In this paragraph:-

"the relevant costs" are the relevant parts of the eligible costs together with either such reasonable interest charges as the Corporation shall have incurred in financing the relevant parts of the eligible costs or alternatively (in so far as the Corporation has used its own monies rather than borrowed monies to finance the relevant parts of the eligible costs) a sum to represent the amount of reasonable interest charges which the Corporation would have incurred had the Corporation borrowed monies to finance the relevant parts of the eligible costs together with (where the premises are in the Building known as Milton Court) the metered cost or estimated metered cost of the electricity consumed or to be consumed in the provision of underfloor or other suitable alternative background heating to the premises and PROVIDED THAT where the relevant costs in respect of which a service charge is payable for any accounting period include estimated costs to be incurred in any accounting period and after the costs which were so estimated

have been incurred it appears that the costs so incurred were more or less than the costs as estimated any necessary adjustment may (without prejudice to any other method of adjustment which the Corporation may in its discretion decide upon in any particular case or class of case) be made by increasing or reducing the relevant costs in respect of which a service charge would otherwise be payable for any subsequent accounting period

"the relevant parts of the eligible costs" are the aggregate of the amounts which are equal to where the eligible costs relate to matters set out in the part of the Fifth Schedule referred to as:-

- Part I, - 100% of all eligible costs
- Part II, - 100% of all attributable costs
- Part III, - 85% of all attributable costs
- Part IV, - 100% of all attributable costs
- Part V, - 100% of all eligible costs

together in the case of any tower block with one third of the salary emoluments and wages of the lobby porters on the estate and expenses connected therewith

"the attributable costs" are 10.82 per cent of the eligible costs

"the eligible costs" means costs or estimated costs incurred or to be incurred in any accounting period (whether that accounting period be the accounting period for which the service charge is payable or an earlier or later accounting period) upon or in connection with the matters set out in the Fifth Schedule hereto
PROVIDED THAT where in any building other than Milton Court any electricity consumed or to be consumed in the provision of underfloor or other suitable alternative background heating to other premises thereby demised or let is

separately metered to the said premises then:

- (i) the eligible costs in that case shall be the eligible costs as are hereinbefore defined less the metered costs or estimated metered costs which the Corporation may recover from its tenant of the said premises; and
 - (ii) the percentage of the relevant costs for that accounting period in respect of which the service charge is payable under sub-paragraph (d) hereof shall be 0.8308 per cent of all the relevant costs insofar as such costs are not attributable to the cost or estimated cost of the electricity consumed or to be consumed in the provision of underfloor or other suitable background heating in accordance with paragraph 3 of the Fifth Schedule hereto and such percentage of the relevant costs as are attributable to eligible costs incurred or to be incurred on electricity so consumed or to be so consumed as the Corporation shall in its reasonable discretion determine
- (c) As soon as reasonably practicable after the end of each accounting period the Corporation shall calculate the relevant costs in respect of that accounting period and as soon as reasonably practicable thereafter the Corporation shall send to the tenant a statement in writing of the relevant costs as calculated by the Corporation which statement shall include a summary of how the relevant costs are made up
- (d) Subject to the proviso contained in the definition of eligible costs given in sub-paragraph (b) above a service charge shall be payable by the tenant in respect of any accounting period of 0.8308 per cent of the relevant costs for that period PROVIDED THAT where the term hereby granted commences during an accounting period then the service charge payable by the tenant in respect of that initial accounting period shall be such proportion of the percentage of the relevant

costs for any accounting period as is hereinbefore specified as the part of the said initial accounting period remaining after the commencement of the term hereby granted bears to the said initial accounting period as a whole; except that where the relevant costs for the said initial accounting period are calculated wholly or in part by reference to estimated costs to be incurred in any later accounting period then the service charge payable by the tenant in respect of the said initial accounting period shall be the aggregate of (i) 0.8308 per cent of such relevant costs as are calculated by reference to estimated costs to be incurred in any later accounting period; and (ii) such proportion of 0.8308 per cent of the other relevant costs for the said initial accounting period as the part of the said initial accounting period remaining after the commencement of the term hereby granted bears to the said initial accounting period as a whole and PROVIDED THAT where a preliminary demand or demands has or have been made in respect of any accounting period and the sum hereinbefore demanded in respect of that accounting period is more or less than the sum demanded or the aggregate of the sums demanded by the said preliminary demand or demands then any necessary adjustment may (without prejudice to any other method of adjustment which the Corporation may in its discretion decide upon in any particular case or class of case) be made by increasing or reducing any sum which would otherwise be payable hereunder

- (e) Subject to sub-paragraph (f) below the Corporation may demand in writing the service charge payable by the tenant in respect of any accounting period not earlier than the date on which the Corporation sends to the tenant under sub-paragraph (c) hereof its statement of the relevant costs for that accounting period and within

fourteen days of the service upon the tenant of the said demand the tenant shall pay to the Corporation without deduction at the office of the Chamberlain the sum demanded

- (f) (i) The Corporation may before the end of any accounting period but not earlier than three months before the beginning of the said accounting period serve upon the tenant a demand or demands for payment of a sum on account of the sum it will demand under sub-paragraph (e) hereof in respect of that accounting period (hereinafter referred to as "a preliminary demand") and within fourteen days of the service upon the tenant of a preliminary demand the tenant shall pay to the Corporation without deduction at the office of the Chamberlain the sum demanded in the preliminary demand
 - (ii) The Corporation may serve not more than four preliminary demands in respect of any accounting period and shall not serve any preliminary demand within ten weeks of any earlier preliminary demand
 - (iii) The preliminary demand or demands shall not be for a sum in excess of that which the Corporation reasonably believes that it will demand under sub-paragraph (e) hereof in respect of the said accounting period and in considering what sum it will so demand under sub-paragraph (e) the Corporation shall disregard for the purpose of this sub-paragraph any sum which in its opinion if included in the said demand under sub-paragraph (e) would be likely to be a part of that demand which relates to a major item (as that expression is defined in Clause 6(1) hereof)
- (g) For the avoidance of doubt it is hereby declared and agreed that the Corporation

may apportion the costs of professional fees and management which it has incurred incurs or may incur upon or in connection with the matters set out in the Fifth Schedule hereto to such part of the Schedule and in such proportions as is reasonable

(5) Subject to sub-clause (6) hereof

(a) At all times keep the premises and everything demised hereunder and additions thereto and the Landlord's fixtures and fittings sanitary apparatus and appurtenances installed in or affixed to the premises and the window glass thereof (but excluding any parts items or works for which the Corporation may be liable under the terms of this Lease or by statute) with all necessary reparations cleansing and amendments whatsoever well and substantially repaired cleansed maintained and renewed damage by any risk against which the Corporation shall have insured (save where the insurance monies shall be irrecoverable by reason of any act or default of the tenant his family servants or agents) nevertheless excepted

(b) Renew or replace at any time during and at the expiration or sooner determination of the said term all Landlord's fixtures fittings and appurtenances in the premises which may be or have become beyond repair

(c) Keep all sinks baths lavatories and cisterns in the premises clean and free from obstruction

(d) Keep the inside of all windows in the premises clean and adequately curtained

(e) Carpet all the floors in the premises from wall to wall

(f) Keep any window box plant tub or terrace garden in the premises in a proper state of cultivation

(g) Once in every seventh year of the said term and in any event in the last quarter of

the last year of the said term (howsoever determined) paint in a proper and workmanlike manner all the inside wood and ironwork usually painted of the premises with two good coats of good quality paint and so that such internal painting in the last year of the said term shall be of a tint or colour to be approved by the Corporation And also with every such internal painting paper and otherwise decorate in a proper and workmanlike manner all such internal parts of the premises as have been or ought properly to be so treated and so that in the last year of the said term the tints colours and patterns or all such works of internal decoration shall be such as shall be approved by the Corporation

(h) Without prejudice to the generality of the aforesaid and independently of such obligations keep the interior of the premises in good repair (including decorative repair)

(i) Permit the Officers or Agents of the Corporation with or without workmen and others at all reasonable times and except in such cases as may appear to the Corporation to be urgent upon reasonable notice to enter upon the premises for the purpose of examining the state and condition user and maintenance thereof and in case any defect or want of reparation or maintenance shall appear the tenant will upon notice thereof in writing being given to the tenant or left upon the premises (hereinafter referred to as "the said notice" in this sub-paragraph) cause the same to be repaired or maintained or both in compliance with the covenants herein contained in that behalf within one month next after the date of the said notice And if the tenant shall fail to comply with the said notice within the time aforesaid the Corporation shall be at liberty to enter upon the premises for the purpose of remedying the said defect want of reparation or maintenance and the cost to the Corporation of complying with the said notice shall be forthwith recoverable from the tenant as liquidated damages

(j) Will at the expiration or sooner determination of the term or upon surrender of the

term yield up the premises to the Corporation with all additions and Landlord's fixtures and fittings in tenantable repair and condition in accordance with the obligations of the tenant under this Lease

- (6) Not decorate the exterior of the premises (including the exterior of any entrance door) make any structural alterations or structural additions to the premises or any part thereof or remove any of the Landlord's fixtures without the previous consent in writing of the Corporation and without prejudice to the generality of the foregoing not:
- (a) erect or set up or suffer to be erected or set up on any part of the premises any erection or building or
 - (b) cut injure alter or divide the premises or any part thereof or
 - (c) make any alteration or addition to the premises either in height or projection or
 - (d) unite or annex the premises or any part thereof to any premises adjoining or
 - (e) insert or drive nails or screws or sink plugs or make any fixing whatsoever to the floors of the premises
- (7) Permit such officers agents or workmen engaged or authorised by the Corporation to enter and remain in or upon the premises together with such materials and equipment as the Corporation may consider necessary expedient or useful in order to repair or rebuild the premises the building or structure or any part thereof or any adjoining or contiguous property belonging to the Corporation or any installation connected with the provision of services thereto or to cleanse empty or repair any of the sewers drains gutters or services belonging to or serving the same
- (8) Observe the covenants and restrictions set forth in the Sixth Schedule hereto and also (by way of indemnity) those (if any) referred to in the Third Schedule hereto and to indemnify the Corporation against all actions proceedings costs claims and demands whatsoever in

- respect of any breach of the same by the tenant or any person claiming title under him
- (9) Observe and perform all rules and regulations made from time to time by the Corporation for the management and conduct of the Building and the estate
 - (10) Upon receipt of any notice order direction or other thing from any competent authority affecting or likely to affect the premises or any part thereof whether the same shall be served directly on the tenant or the original or a copy thereof be received from any underlessee or other person whatsoever forthwith so far as such notice order direction or other thing or the Act regulations or other instrument under or by virtue of which it is issued or the provisions hereof require him so to do comply therewith at his own expense and forthwith deliver to the Corporation a true copy of such notice order direction or other thing
 - (11) Pay all costs charges and expenses (including Solicitors' costs and Surveyors' fees) incurred by the Corporation for the purpose of or incidental to or in contemplation of the preparation and service of a notice under Section 146 of the Law of Property Act 1925 (or any statutory re-enactments or modifications thereof) requiring the tenant to remedy a breach of any of the covenants herein contained notwithstanding that forfeiture for such breach shall be avoided otherwise than by relief granted by the Court
 - (12) Produce for the purpose of registration to the Corporation at the office of the Comptroller (within one calendar month after the document or instrument in question shall be executed or shall operate or take effect or purport to operate or take effect) the original or a copy verified by a Solicitor of every assignment or transfer of this Lease or mortgage or charge of this Lease or of the premises or any part thereof and also every underlease of the premises or any part thereof and the original or a copy verified by a Solicitor of every assignment or transfer of every such underlease and also every probate letters of

administration order of court or other instrument affecting or evidencing a devolution of title as regards the term hereby granted or as regards any such underlease as aforesaid and for such registration pay to the Corporation a reasonable fee in respect of each such document or instrument so produced

- (13) Permit the Corporation at any time during the three months immediately preceding the determination of the term to enter upon the premises and affix and retain without interference upon any part thereof a notice for reletting or selling the same And permit all persons with authority from the Corporation at all reasonable times during the daytime to enter and view the premises or any part thereof

5. THE Corporation hereby covenants with the tenant as follows:-

- (1) That the tenant paying the rent hereby reserved and performing and observing the several covenants on his part and the conditions herein contained shall peaceably hold and enjoy the premises during the said term without any interruption by the Corporation or any person rightfully claiming under or in trust for it
- (2) That so far as is practicable the Corporation will maintain the services to the premises set out in Parts I II and III of the Fifth Schedule hereto and (except where the premises are in the building known as Milton Court) the Corporation will maintain so far as is practicable the provision at the premises from the First day of October in each year to the thirtieth day of April in the year immediately following and at other reasonable times of underfloor or other suitable alternative background heating
- (3) That the Corporation will at all times during the said term (unless such insurance be vitiated by any act or default of the tenant) insure and keep insured the Building against loss or damage by fire and such other risks (if any) as the Corporation from time to time thinks fit in some insurance office of repute for such sum or sums (including professional

fees) as the Corporation shall in its reasonable discretion think fit and shall in the event of damage by any risk insured against by the Corporation apply any insurance moneys received toward reinstatement of the damage and will on reasonable notice whenever required produce to the tenant at the office of the Chamberlain the policy or policies or other sufficient evidence of such insurance and of the payment for the last premium

- (4) That the Corporation will keep in repair the structure and exterior of the premises and of the Building (including drains gutters and external pipes) and will make good any defect affecting the structure
- (5) That the Corporation will keep in repair any other property over or in respect of which the tenant has deemed rights

6. PROVIDED ALWAYS and it is hereby agreed and declared that:-

- (1) (a) Subject to sub-paragraphs (b) and (d) below the tenant may by notice in writing given to the Corporation at the office of the Chamberlain within fourteen days of the service of a demand other than a preliminary demand under Clause 4(3) or 4(4) hereof elect to leave outstanding the part of that demand or of the total demands (other than preliminary demands) for the accounting period in respect of which it has been given which relates to a major item (hereinafter in this Clause referred to as "the sum to be left outstanding")
- (b) In the event that the tenant makes the said election and the charge hereinafter described (referred to as "the said charge") is both executed within the period of fourteen days from the date of his giving the notice making the said election and duly registered at H.M. Land Registry at the expense of the tenant all documents required to perfect such registration having been lodged with the Corporation together with any fees or other disbursements within the said period then:

- (i) the tenant hereby covenants with the Corporation duly and punctually to pay the sum to be left outstanding with interest thereon over a period of ten years from the date of the said charge or such lesser period as shall expire not later than ten years before the end of the term hereby demised at the appropriate rate by equal monthly instalments on the first day of each month without deduction at the office of the Chamberlain (whether or not such instalment has been demanded) the first payment being made on the first of such days after the day on which the said charge was executed until the whole sum to be left outstanding with interest thereon at the appropriate rate shall be fully paid and satisfied PROVIDED THAT (1) the amount of the said instalments may be increased or reduced so as to take account of and provide for any increase or reduction in the appropriate rate consequent upon any increase or reduction in the basic rate and (2) the amount of the said instalments may be varied so as to secure that the sum to be left outstanding with interest thereon at the appropriate rate shall be paid not later than ten years before the end of the term hereby granted in the event that payment by equal instalments as aforesaid would not secure that the said sum and interest thereon would be paid by that time
- (ii) the Corporation hereby covenants with the tenant that it shall allow the tenant to leave outstanding the sum to be left outstanding notwithstanding that payment has become due under Clauses 4(3) or 4(4) hereof on the condition that and for so long as the tenant duly and punctually pay the sum to be left outstanding with interest thereon in accordance with the

covenant hereinbefore set out

- (c) In this paragraph:
 - (i) "the part of that demand which relates to a major item" is such part of the demand or of the total demands (other than preliminary demands) for the accounting period in respect of which it has been given which both (a) relates only to the costs or estimated costs incurred or to be incurred in respect of works of renewal replacement or repair (excluding redecoration refurnishing and recarpeting); and (b) represents not less than 2.5 per cent of either the sum specified in Clause 2 hereto or if there shall have been one or more subsequent sales at open market value the sum realised on the latest such sale and in either case increased or reduced (as the case may be) by the same percentage as the index hereinafter referred to or any other index for the time being replacing the same may have been increased or reduced between the date of such sale and if none the date of grant hereof and the date of the demand;
 - (ii) the index referred to in the preceding sub-paragraph shall be the average price of new dwellings for which building society mortgages were approved shown in the latest available published statistics for the time being of the Department of the Environment
 - (iii) "the appropriate rate" is the sum of the supplementary and the basic rate;
 - (iv) "the supplementary rate" is two per cent;
 - (v) "the basic rate" is the rate of interest which may be charged under Section 110 of the Housing Act 1980 or any other enactment replacing the same at the date of the demand or such other rate on sums left outstanding for the time being substituted therefor in accordance with the said section or enactment;

- (vi) "the said charge" is a charge made between the Corporation and the tenant having priority immediately after any charge or mortgage to secure moneys advanced by a building society or lending institution (as each is defined in Clause 3 hereof) on the occasion of the grant or of an assignment of this Lease and which shall have been registered with the Corporation under Clause 4(12) hereof prior to the creation of the said charge by which the tenant in consideration of the Corporation leaving outstanding the sum to be left outstanding charges the premises with full title guarantee by way of legal mortgage with the payment to the Corporation of the sum to be left outstanding and interest thereon at the appropriate rate (to be calculated in accordance with the provisions of this Clause) at the times and in the manner described in paragraph (b) above containing either:
- (a) such other terms (consistent with the provisions of this Clause or so modified as to be consistent therewith) as are incorporated in the standard deed of mortgage offered on the date of the demand by the Corporation to a person exercising the right to a mortgage under Chapter I of Part I of the Housing Act 1980 or such other enactment or enactments as may replace the same; or
- (b) in the event of there being no such standard deed such other terms as may be agreed by the tenant and the Corporation as being reasonable to be included in such a deed or in default of such agreement determined by arbitration in accordance with the provisions of Clause 8 hereof
- (d) The tenant shall have no right to elect to leave outstanding any sum pursuant to paragraph (a) above if:
- (i) there is any sum due and unpaid by the tenant to the Corporation under this Lease for a period exceeding twenty one days on the date of the service of the demand

under Clause 4(3) or 4(4) hereof; or

- (ii) the tenant has otherwise failed to observe or perform any of the agreements contained herein and on the part of the tenant to be observed or performed prior to the service of the demand under Clause 4(3) or 4(4) hereof; or
 - (iii) the premises are at the date of the service of any demand (other than a preliminary demand) under Clause 4(3) or 4(4) hereof or within fourteen days of any election hereinbefore referred to charged by way of legal or other mortgage or charge with payment of a sum or sums (howsoever arising thereunder) which either by itself or themselves or aggregated with the part of that demand or of the total demands which relates to a major item exceeds 90 per cent of the sum specified in sub-paragraph (c)(i) above increased or reduced (as the case may be) by the same percentage as the index referred to in sub-paragraph (c)(ii) above or any other index for the time being replacing the same may have been increased or reduced as aforesaid
- (e) It is hereby further declared and agreed that in the event of any dispute the onus shall be on the tenant to show
- (i) that he has the right to elect to leave outstanding any sum pursuant to sub-paragraph (a) above
 - (ii) that none of the cases specified in sub-paragraph (d) above in which the tenant shall have no such right applies
 - (iii) that he has made the said election and
 - (iv) that the said charge has been executed and documents lodged all strictly in accordance with the provisions contained herein

(2) It is hereby declared and agreed for the avoidance of doubt that insofar as the tenant is

under the provisions of Clause 4(3) 4(4) or 6(1) required obliged or permitted to do any act or thing within a time specified therein or otherwise by reference to a time or date that time is in any such case of the essence and it shall not be implied or inferred from the terms of this provision that time is not of the essence in relation to any provision of this Lease other than those hereinbefore specifically mentioned

- (3) (a) If the yearly rent hereinbefore reserved or any part thereof shall be unpaid on the twenty first day next after any of the days hereinbefore appointed for payment of the same whether the same shall have been demanded or not or if any other sum under this Lease payable by the tenant to the Corporation shall be unpaid on the twenty first day next after any day on which the same became due or if the tenant shall fail to observe or perform any of the agreements herein contained and on the part of the tenant to be observed and performed then and in any of the said cases it shall be lawful for the Corporation to re-enter upon the premises or any part thereof in the name of the whole and to repossess and enjoy the same as in their former estate and thereupon the term shall absolutely determine
- (b) So far as the law allows and without prejudice to any other remedies hereunder the same remedies shall be available to the Corporation as in respect of rent in arrear in relation to any monies payable hereunder which are from time to time due and unpaid
- (4) Nothing herein contained or implied shall impose or be deemed to impose any restriction on the use of any land or buildings not comprised herein or give the tenant the benefit of or the right to enforce or to have enforced or to prevent the release or modification of any covenant agreement or condition entered into by any purchaser from or any lessee tenant or occupier of the Corporation in respect of property not comprised in this Lease or to

- prevent or restrict in any way the development of any land not comprised in this Lease
- (5) Section 196 of the Law of Property Act 1925 shall be deemed to apply to all notices required to be served hereunder
 - (6) Any sums from time to time payable to the Corporation under the terms of this Lease are exclusive of Value Added Tax and of every other tax and the tenant will pay any Value Added Tax or other tax which may be or become payable in respect of any such sum
 - (7) Subject to the provisions of the Defective Premises Act 1972 or any statutory re-enactment or modification thereof the Corporation shall in no circumstances be liable to the tenant for any injury accident damage or loss which may at any time during the term be done or occasioned whether through negligence larceny theft or otherwise howsoever sustained by the tenant or the servants visitors or agents of the tenant from or in the premises or any other part of the Building or the estate
 - (8) The Corporation shall have power at all times without obtaining any consent from or making any compensation to the tenant to deal as the Corporation may think fit with any of the property belonging to the Corporation which adjoins or is opposite or near to the premises and to erect or to permit or suffer to be erected on such adjoining opposite or neighbouring property any buildings whatsoever whether such buildings shall or shall not affect or diminish the light or air which may now or at any time or times have been before or will be during the term enjoyed by the tenant or any tenants or occupiers of the premises or any part thereof
 - (9) The Corporation shall not be liable to the tenant in respect of any loss damage or inconvenience occasioned by the inability of the Corporation howsoever caused or arising to provide or perform the services mentioned in Clause 5(2) or any other services which the Corporation is so obliged to provide or perform for the tenant or for the tenant in

common with others

- (10) The Corporation reserve the right at any time to exclude from or restrict the use by any person of the gardens or premises of a public nature in or about the Barbican Estate
 - (11) The Corporation shall make good all damage to the premises or any chattels thereon occasioned by the exercise of its rights under Clause 4(7) but the Corporation shall not be liable for damages or compensation for any annoyance nuisance damage noise vibration or inconvenience thereby caused to the tenant
 - (12) If in respect of any former tenancy of the premises to which the tenant was entitled there shall be at the date hereof any sums for services provided by the Corporation which have not yet been ascertained and notified in writing to the tenant such sums shall be paid by the tenant to the Corporation within fourteen days after the date when they would have become due under the preceding tenancy and recoverable as if covenanted to be paid hereunder
7. (i) IN case any dispute or controversy shall at any time or times arise between the tenant and the tenants or occupiers of any adjoining or contiguous property belonging to the Corporation relating in any manner to the said sewers drains gutters or services or to any easements or privileges whatsoever affecting or relating to the premises or any adjoining or contiguous property belonging to the Corporation the same shall from time to time be settled and determined (if it shall think fit) by the Corporation or the Architect in such manner as shall by any writing under the seal of the Corporation or the hand of the Architect be directed to which determination the tenant shall from time to time submit
- (ii) (a) IF any recognised tenants' association shall by a resolution of not less than 75 per cent of a membership comprising not less than 70 per cent of the

tenants of the Building passed after a public meeting (the time and place of which shall have been notified in writing to the Corporation not less than twenty four days before) request the Corporation so to do in respect of any alleged breach of a restrictive covenant imposed under a lease of premises in the Building granted by the Corporation then the Corporation shall take legal proceedings in respect of such alleged breach if and so far as it shall have been advised by Queen's Counsel (a) that there is a reasonable case with a good prospect of success and (b) that it is appropriate in all the legal circumstances to proceed to action PROVIDED ALWAYS that the costs of such proceedings shall be paid as a service charge payable within Part V of the Fifth Schedule hereto

(b) "A recognised tenants' association" means an association of tenants of flats in the Building which is recognised for the purposes of Section 20 of the Landlord and Tenant Act 1985 as amended (relating to service charge and relevant costs)

8. (i) ANY dispute or difference between the parties touching any matter or thing in Clauses 1(vii) 1(viii) 1(ix) 4(2) 4(3) 4(4) or 6(1)(c)(vi)(b) or the operation or construction of the said provisions or any matter or thing in any way connected with the said provisions or the rights duties or liabilities of either party under or in connection with the said provisions shall be determined by a single arbitrator in accordance with the Arbitration Act 1950 or any statutory modification or re-enactment of that Act for the time being in force and the costs of any arbitration including any discontinued proceedings shall be shared equally between the parties

(ii) ANY arbitrator shall be appointed by the President for the time being of the Royal

Institution of Chartered Surveyors if available and willing to act save in the case of any dispute or difference between the parties touching any matter or thing in Clauses 1(vii) 1(viii) and 1(ix) in which case any arbitrator shall be appointed by the President for the time being of the Law Society if available and willing to act

(iii) THE decision of any arbitrator should be confirmed in writing to each party

9. IT IS HEREBY CERTIFIED that the transaction hereby effected does not form part of a larger transaction or series of transactions in respect of which the amount or value or aggregate amount or value of the consideration (other than rent) exceeds FIVE HUNDRED THOUSAND POUNDS (£500,000.00)

IN WITNESS whereof the parties hereto have hereunto executed these presents as a deed the day and year first above written

THE FIRST SCHEDULE

(Rights Granted)

In common with the Corporation its tenants and other persons authorised by it and all others having the like right:-

1. The right of passage and running of water and soil gas electricity telephone wires smoke and fumes from and to the premises through such of the sewers drains conduits gutters watercourses pipes cables wires ventilators and mains serving the premises which now are or hereafter during the term may be in on or under the Building

2. The right

(1) of way on foot only (save for the purposes specified in paragraph (11) of the Sixth Schedule hereto) to and from the Building to the public highway or walkway

(2) of way on foot only for the tenant and the tenant's agents servants and all persons visiting the tenant to pass and repass to and from the premises over and along the respective

- entrance halls and staircases and corridors leading thereto
- (3) of passage in the lift situated in the Building for the persons aforesaid and for the tenant's goods for the purpose of gaining access to and from the premises subject to any reasonable rules which may be made by the Corporation for the operation of the said lift and to paragraph (11) of the Sixth Schedule hereto Provided always that the Corporation shall not be responsible to any person using the said lift for any loss damage or injury resulting therefrom or for any interruption of the working of the said lift
 - (4) of way on foot in the case of fire or other emergency for the purpose of gaining access to the stairs or lifts situated in the Building over and along any balcony adjoining the premises including the right to pass through any division doors or screens situated on the said balcony
 - (5) of support to the premises from the Building or any part of the Building
 - (6) of access of light and air to the premises

THE SECOND SCHEDULE

(Rights Excepted and Reserved)

- A. For the Corporation its tenants and other persons authorised by it and all others having the like right:-
1. The right of passage and running of water and soil gas electricity telephone or other services or supplies from and to any other property on the Barbican Estate through such of the sewers drains conduits gutters watercourses pipes cables wires ventilators and mains serving such property which now are or hereafter during the term may be in on or under the premises
 2. The right with servants agents contractors and workmen so far as may be necessary at all reasonable times to enter on the premises for the purpose of connecting laying repairing cleansing maintaining and amending such sewers drains conduits gutters watercourses pipes cables wires

ventilators and mains the persons exercising this right doing as little damage as possible and making good all damage occasioned by the exercise of such right but without payment of compensation for any annoyance nuisance damage noise vibration or inconvenience caused to the tenant in connection with the use by the tenant of the premises

3. A right of way at all times for all persons in the case of fire or other emergency over any balcony forming part of the premises including the right to pass through any division doors or screens situated on the said balcony

4. The right of support from the premises to the Building or any part of the Building

5. The right of access of light and air to the buildings on the Barbican Estate and each and any part thereof

B. The rights if any referred to in the Property and Charges Register of the Corporation's Title

THE THIRD SCHEDULE

(Restrictive Covenants etc.)

The covenants referred to in the Charges Register of the Corporation's Title

THE FOURTH SCHEDULE

(Structural Defects notified to the tenant)

Elements of the roof and associated works

THE FIFTH SCHEDULE

(Services)

PART I

1. The service maintenance repair renewal and insurance (where applicable) of the following services and installations in upon or under the Building namely:

(1) Lifts (except for the turret lifts)

- (2) Security equipment (including entry phones fire alarms and lift alarms)
 - (3) Ventilation equipment (including cleaning the vents and ducts thereon)
 - (4) Electrical and mechanical and plumbing services and installations (including water tanks; water supply pipes and ducts; soil and waste pipes and ducts; electrical switchgear cables and ducts; generators pumps and fans; and heater panels located in the common parts)
 - (5) Underfloor or alternative background heating installations and the control equipment connected therewith
2. The provision of electricity for or in connection with:
 - (1) The common parts of the Building (including the lighting and heating of the corridors) and
 - (2) Any lift in the Building (including the lighting therein)
 - (3) Ventilation equipment in the Building
3. Except where the premises are in the building known as Milton Court the provision from the first day of October in each year to the thirtieth day of April in the year immediately following and at other reasonable times of underfloor or other suitable alternative background heating to the premises and other flats or premises in the Building
4.
 - (a) The redecoration refurnishing recarpeting and cleaning of the internal common parts of the Building (including the exterior of entrance doors to the premises corridors staircases entrances and foyers) as often as the Corporation may consider such work to be expedient
 - (b) The repair of the internal common parts of the Building (including corridors staircases entrances and foyers) and without prejudice to the generality of the foregoing the repair of the door furniture locks and glass of any entrance to the Building and of light

fittings lamps and glazing in the common parts

(c) The redecoration and cleaning of the exterior of the Building so often as the Corporation may consider such work to be expedient in the manner in which the same is at the time of this demise decorated or as near thereto as circumstances permit

(d) Exterior window cleaning of the Building (except for Milton Court)

PART II

5. The maintenance in reasonable working order of the Garchey refuse system installed by the Corporation or the provision and maintenance of any alternative method for the collection of rubbish as the Corporation thinks fit from time to time

6. The provision of electricity and materials and staff to cleanse maintain and operate the Garchey system or any alternative method under paragraph 5 hereof

PART III

7. The maintenance of the garden areas (including the lakes) shown coloured green on Plan A annexed hereto

PART IV

8. The salary emoluments and wages together with any expenses connected therewith of

(a) the key porters

(b) the storekeepers

(c) the resident housekeepers

(d) resident engineers (but less in the case of the resident engineers such proportion of their salary emoluments wages and any expenses connected therewith as the Corporation may in its discretion reasonable attribute to their work in connection with or upon the Garchey or any other refuse system or the public services building)

(e) any other staff which the Corporation shall in its reasonable discretion employ

from time to time

9. The provision of refuse sacks for the collection of dry refuse
10. All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liabilities or outgoings in relation to the estate

PART V

11. All such other matters whatsoever in relation to which the Corporation may reasonably incur or decide to incur any costs liabilities or outgoings in relation to the Building

THE SIXTH SCHEDULE

(Further Covenants)

- (1) The tenant will not do or allow to be done in or on the premises (or any property for the time being occupied or controlled by the tenant) anything whereby any insurance by the Corporation of the premises or the Building or any part thereof (or any other property for the time being owned by the Corporation) may be vitiated or prejudiced nor without the consent of the Corporation do or allow to be done anything whereby any additional premium may become payable for the insurance of the premises or the Building or any such other property
- (2) The tenant will not obstruct any balcony forming part of the premises (including any dividing doors or screens) nor place anything there which might be or become a danger nor do or permit anything which might impede escape from the premises or other premises in case of fire or other emergency
- (3) The tenant will use any Garchey refuse system installed in the premises at any time for the disposal of any wet or putrescible refuse provided that any refuse that cannot pass through the said system shall be disposed of in accordance with prior arrangement with and as directed by the Manager
- (4) The tenant will not do or permit or suffer to be done in or upon the premises or any part

thereof anything of an illegal or immoral nature or any act matter or thing which in the opinion of the Corporation may be or grow to be or become a danger nuisance or an annoyance to or to the prejudice of the Corporation its tenants or lessees or to the owners lessees or occupiers for the time being of any premises in the neighbourhood

(5) The tenant will not suffer the premises or any part thereof to be used for the purpose of any Exhibition of pictures or views or other things or any kind of show or spectacle to which admission shall be by payment or where although no payment be asked for admission to the premises any kind of payment or fee shall be charged or demanded after admission has been obtained or where the purchase of any article is made a condition of such admission but this covenant is not to limit prejudice or affect any other covenant herein contained

(6) The tenant will not keep or suffer to be kept any animal or bird on the premises

(7) The tenant will not at any time operate or play or suffer to be operated or played on the premises so as to be heard outside the premises any musical instrument or any electrical mechanical or other apparatus which produces or reproduces sound

(8) The tenant will not beat or suffer the beating of mats or carpets on the balcony forming part of the premises nor on the landings stairs corridors or any other part of the Building or permit or suffer any rubbish or other article whatsoever to be dropped or thrown from any part of the premises or any part of the Building or the balcony forming part of the premises

(9) The tenant will not carry on or suffer to be carried on upon the premises any manufacture trade or business whatsoever but will use the premises as a private dwelling in the occupation of one individual only and his or her immediate family and will at no time permit or suffer the premises to be occupied by more than Five persons

(10) The tenant will not at any time during the term affix or exhibit or permit to be affixed or exhibited upon any part of the premises any placard or advertisement nor place or fix or suffer to

be placed or fixed upon the exterior of the premises any wireless or television aerial blind window-box plant or thing whatsoever except with the prior written consent of the Manager and will not at any time obstruct the passages corridors or lifts of the Building with perambulators bicycles toys invalid chairs or any other articles whatsoever

(11) The tenant will not bring into or take away from the premises any furniture or bulky goods except between the hours of eight a.m. and sunset and then only by prior arrangement with the Manager

(12) The tenant will not park any motor vehicle or permit any visitor to the premises to park any motor vehicle within the environs of the Building unless authorised by the Manager so to do

(13) The tenant will not contract with the electricity board or any undertaking from time to time supplying electricity for the supply of electricity which is to be used for the provision of underfloor or other suitable background heating to the premises

Executed as a Deed by

in the presence of: -

Signature of Witness:

Name of Witness:

Occupation of Witness:

Address of Witness:

Executed as a Deed by

in the presence of: -

Signature of Witness:

Name of Witness:

Occupation of Witness:

Address of Witness: