Property reference:

Date: 21 August 2024

Dear

Re:

# Notice of intention to enter into long-term agreements Buildings Insurance

Our Buildings Insurance contract ended in March 2024, and we completed a procurement process to enter into a new contract starting 1st April 2024. Due to an administrative error, we did not consult with you on this new contract and therefore did not meet our obligations under Section 20 of the Landlords and Tenants Act.

Under the terms of your lease, we as your landlord are required to provide a buildings insurance cover to protect your home against risk, and in turn we need to collect the cost of providing this service to ensure we can continue to deliver this service.

To ensure that we can recover the full cost of the service provided, we’re applying to the First Tier Tribunal (part of HM Tribunals and Courts Service) for dispensation (to be exempt) from the Section 20 process.

# What is the Section 20 process?

This is the process we go through before we award any contracts for services or works. We have a video on our website which helps to explain the consultation process: [https://www.hyde-housing.co.uk/qualifying-works/](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.hyde-housing.co.uk%2Fqualifying-works%2F&data=05%7C01%7Cbuildingsafetyframework%40hyde-housing.co.uk%7C20d5c3dadc5a4b51312808da632d819c%7C86819931fb92466f8ad749b48fb5a50d%7C0%7C0%7C637931344333458333%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=wuejI9N9HA%2B4JWiCvAiI%2F%2F81e%2Bzwv2wnenYrI6IKsBk%3D&reserved=0)

# What is dispensation from Section 20?

Where consultation processes have not been followed, we can ask the Tribunal to give us permission to choose suppliers without the normal consultation. The Tribunal reviews our application and if they decide that there was no detriment to your rights under the consultation requirements, and that the service is required under the terms of your lease, they can agree that we don’t have to comply with the Section 20 process, granting us dispensation.

Dispensation can be used in emergency situations. Most organisations like Hyde will only use dispensation where there is an urgent need to ensure a service can be delivered. You can read about the Tribunal process on the government’s website: [www.lease-advice.org](https://www.lease-advice.org/topics/?topic=application-to-the-first-tier-tribunal-property-chamber)

# Will the Tribunal decide how much my service charges should be?

No. The Tribunal won’t decide if the contracts we award are reasonably priced, and they won’t say that we can or can’t recharge these services to you. The Tribunal will only decide if we could comply with the requirements of Section 20 or not. Please note that it is our responsibility to get the best deal for you. We don’t make any profit from the purchase of buildings insurance, and we only recharge what we have to pay.

# Will my service charges increase?

Please refer to your service charge estimates & statements for details around the cost of your building’s insurance.

# Is this process going to affect the validity of my building’s insurance, or how I pay?

No. There will be no interruption to this service, and you’ll still pay your service charges in the same way.

# What happens next?

A copy of the application (with personal details deleted), statement of case, supporting documents and a copy of these directions will be available at [www.hyde-housing.co.uk/buildings-insurance-dispensation](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.hyde-housing.co.uk%2Fenergy-dispensation%2F&data=05%7C01%7Ckaterina.birkeland%40hyde-housing.co.uk%7C41f0c883445047c242cf08daed9ca644%7C86819931fb92466f8ad749b48fb5a50d%7C0%7C0%7C638083554297831741%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=n7fVm%2F73JIcpMMeGhWCbKEsy7wlaw4plkluIMdwrWkk%3D&reserved=0).

Any response to the application should be made by **4.00 pm on 04 October 2024** using the reply form attached to the directions**.** You don’t have to respond if you’re happy with our proposal; you can just keep the documents for your records.

As the application progresses additional documents will be added to the website, including the final decision of the tribunal. The final decision is likely to be uploaded on or after **04 November 2024**.

If you’d like a paper copy of the application, any other documents or to ask any questions about this application please let us know by raising a case on MyAccount. Further details on how to do this can be found at [www.hyde-housing.co.uk/tenants/myaccount](http://www.hyde-housing.co.uk/tenants/myaccount/).

Yours sincerely

 

# Joe Pyner

**Service Charge Manager**