

**IN THE FIRST-TIER TRIBUNAL (PROPERTY CHAMBER)
APPLICATION UNDER SECTION 20ZA OF THE LANDLORD AND TENANT ACT 1985
FOR DISPENSATION FROM THE CONSULTATION REQUIREMENTS**

BETWEEN:

HOUSING 21 (the “Applicant”)

– and –

**THE LEASEHOLDERS AND TENANTS LIABLE TO CONTRIBUTE THROUGH SERVICE
CHARGES AND/OR UTILITY CHARGES TO THE COST OF THE ENERGY SUPPLY
ARRANGEMENTS DESCRIBED IN THIS APPLICATION (the “Respondents”)**

WITNESS STATEMENT OF RICHARD LAWTON

I, Richard Lawton, will say and state as follows

Introduction

1. I make this witness statement in support of Housing 21’s application under section 20ZA of the Landlord and Tenant Act 1985 for dispensation from the consultation requirements which would otherwise apply to a qualifying long-term agreement for the supply of gas and electricity.
2. I am employed by Housing 21 as Head of Resident Charges. In that role I am familiar with the service charge and utility charge implications of the proposed long-term contract, the resident charging context, and the affordability and recoverability issues arising from the costs of communal and, in some cases, domestic utilities.
3. Matters relating to procurement strategy, the advice received from NUS Consulting Group, and the rationale for the proposed contract structure are addressed in the separate witness statement of Amarjit Chand. My evidence is directed to the resident charging and service charge implications of the proposal.
4. The facts and matters set out in this statement are within my own knowledge unless otherwise stated. Where I refer to information supplied by others, I identify the source and believe it to be true.

Housing 21, residents and the proposed agreement

5. Housing 21 is a large, registered provider of social housing operating across England.

6. Housing 21 supplies gas and electricity to communal areas at its schemes and, in some cases, to individual properties where residents cannot contract directly because of the way in which the relevant buildings or heating systems are configured.
7. Residents across all schemes contribute to the cost of communal utilities through the service charge. Where Housing 21 provides gas or electricity into individual properties, residents may also pay a separate utility charge.
8. Housing 21 does not seek to profit from utilities. The intention is to recover from residents, in accordance with the relevant lease or tenancy provisions, the cost of the utility supplies for which Housing 21 is billed.
9. Housing 21 proposes to enter into a long-term energy supply arrangement of approximately three years. Because that arrangement will endure for more than twelve months, it constitutes a qualifying long-term agreement for the purposes of section 20 of the 1985 Act.

Service charge and affordability context

10. Communal energy is a critical service for Housing 21's residents. It affects residents' ability to keep warm, access hot water, use communal lighting and lifts, and live safely and independently within their homes and schemes.
11. Gas and electricity costs are a significant component of many service charge budgets and, where Housing 21 supplies utilities directly into individual properties, may also form part of a separate utility charge.
12. Many Housing 21 residents are older people living on fixed or limited incomes. Sudden and unpredictable increases in energy-related charges can therefore have a particularly serious impact upon affordability.
13. The way in which Housing 21 procures communal and domestic energy has a direct and substantial effect on the affordability and stability of service charges and utility charges for a large number of residents.

Recoverability and financial exposure

14. If the consultation requirements are not complied with, and dispensation is not granted, Housing 21's recoverability may be limited to £100 per dwelling in any accounting period.
15. Given the scale of the supplies involved, that would create very substantial financial exposure. It would also create obvious practical difficulties in the setting and management of service charges and utility charges across the affected schemes.
16. From my perspective as Head of Service Charges, it is important that the position is regularised through the Tribunal so that Housing 21 can recover the relevant costs lawfully and transparently in accordance with the contractual charging machinery.

Resident impact

17. In considering the resident impact of this proposal, I have focused on affordability, clarity of charging and the practical consequences for service charge administration.
18. If Housing 21 were unable to secure an appropriate long-term arrangement and/or unable lawfully to recover the resulting costs, that would create uncertainty both for residents and for Housing 21's budgeting and charging processes.
19. Conversely, a procurement approach which is intended to reduce exposure to market volatility and improve price stability has the potential to benefit residents by reducing the risk of abrupt fluctuations in energy-related charges, subject always to actual market conditions and the terms of the eventual contract.
20. I therefore support the application for dispensation from the perspective of resident charging, affordability, recoverability and transparency.

Conclusion

21. For the reasons set out above, and having regard to the separate evidence of Amarjit Chand on procurement strategy, market conditions and resident engagement, I support Housing 21's application for dispensation from the consultation requirements in relation to the proposed long-term agreement for the supply of gas and electricity.
22. If the Tribunal considers that any condition should be attached to the grant of dispensation, Housing 21 will consider and comply with such directions.

Statement of Truth

I believe that the facts stated in this witness statement are true. I understand 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: Richard Lawton

Dated: ____17/04/2026_____

