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**SOUTHERN RENT ASSESSMENT PANEL  
LEASEHOLD VALUATION TRIBUNAL**

**CHI/00HN/OLR/2006/0030**

Decision of the Leasehold Valuation Tribunal on application under Sections 48 and 60 of the Leasehold Reform, Housing and Urban Development Act 1993

**Applicant:** Sarah Jane Lopez

**Respondent:** David Matthey, Steven Matthey  
and Alan Matthey

**Re:** 24 Belle Vue Mansions and garage 25,  
Twynham Road, Southbourne,  
Bournemouth

**Date of Application** 18<sup>th</sup> April 2006

**Date of Inspection** 24<sup>th</sup> July 2006

**Date of Hearing** 24<sup>th</sup> July 2006

**Venue** Bournemouth Town Hall

**Appearances for Applicant** Mr W Miller, Solicitor, Rawlins Davy

**Appearances for Respondent** none

**Members of the Leasehold Valuation Tribunal**

<b>M J Greenleaves</b>	<b>Lawyer Chairman</b>
<b>K M Lyons FRICS</b>	<b>Valuer Member</b>
<b>P E Smith FRICS</b>	<b>Valuer Member</b>

**Date of Tribunal's Decision:** 19<sup>th</sup> August 2006

## **Decision**

1. The costs payable by the Applicant to the Respondents under Section 60 of the Leasehold Reform, Housing and Urban Development Act 1993 are £360

## **Reasons**

### **Introduction**

2. This was an application made by Sarah Jane Lopez (the Applicant) to the Tribunal under Section 48 of the Leasehold Reform, Housing and Urban Development Act 1993 (the Act) for the determination of issues arising from her claim for a new lease of 24 Belle Vue Mansions and Garage 25, Twynham Road, Southbourne, Bournemouth (together called the premises).
3. The terms which had been in dispute included the premium to be paid and the form of the new lease but those issues had been settled by the parties prior to the hearing.
4. The hearing was therefore limited to determination of the costs payable by the Applicant to the Respondents under Section 60 of the Act.

### **Inspection.**

5. Prior to the hearing the Tribunal inspected the premises. The flat is situated on the first floor and comprises a sitting room, 2 bedrooms, kitchen, bathroom and WC. The garage is in a separate block of garages. Belle Vue Mansions and Garages are maintained to a good standard for their age and character.


### **Hearing**

6. The hearing was attended by Mr Miller for the Applicant who also submitted documents. The Respondents made submissions to the Tribunal in their letter dated 24<sup>th</sup> July 2006.
7. The Applicant's case was:
  - a. All correspondence had been signed by the Respondents or one of them, none by their solicitor;
  - b. Not until the Respondents' letter of 18<sup>th</sup> July 2006 had Mr Miller been aware of any actual involvement of a solicitor for the Respondents;
  - c. Because their solicitor was evidently "in-house", the Respondents were not incurring costs; their solicitor was a general business expense and he submitted that they were not entitled to any costs at all.
  - d. If the Tribunal did not accept that submission, he submitted that little work had been done by their solicitor: 9 letters had been sent out and 2 fairly standard documents prepared. There had been no negotiation to charge for. He considered that a maximum of 2 hours had been spent by their solicitor and that should be chargeable at her hourly rate of £85.
  - e. He also pointed out that the Respondents' letter of 24<sup>th</sup> July did not specify a charge rate and did not indicate completion of any time sheets.
  - f. He considered the maximum charge would be 2 hours at a rate of £125 per hour.
  - g. He was not aware of any Tribunal decision as quoted by the Respondents concerning the charging of in-house solicitors' costs, not could he find any relevant decision.
  - h. He accepted that their solicitor's charge out rate if practising in Bournemouth would be £185 plus VAT. He also said that his time ledger charges in the matter were over £1000, but this included costs concerning matters relating to the purchase of the premises
8. The Respondents' case was:

- a. Legal aspects of the matter had been dealt with by Alison Sandler an in-house solicitor who does not have a charge-out rate as such; comparison with a Grade A solicitor is useful.
- b. The costs of £925 claimed are calculated on estimated time in considering the initial notice, investigating title, preparing and serving counter-notice; preparing, negotiating and completing the lease extension.
- c. The London Rent Assessment Panel has previously decided that when using an in-house solicitor, costs should also include cost of support staff, equipment and resources, electricity and heating.
- d. The Tribunal in other cases have permitted local authorities to charge out employed solicitors at commercial rates.

**Consideration.**

9. The Tribunal considered all the case papers and the submissions made.
10. It is not bound by decisions of other Tribunals in other cases.
11. Although there had been no involvement of the Respondents' solicitor to the Applicant's knowledge, the Tribunal considered it to be probable. The Tribunal did not consider that the cost of an in-house solicitor could not be charged for. If external solicitors were instructed, they would incur their fees and the Tribunal considered that it was reasonable to use in-house solicitors instead and that their cost was properly payable under Section 60 of the Act.
12. However, the Tribunal regarded the case as relatively routine; that there was no detailed evidence as to how the costs claimed of £925 were calculated and that that sum could not be justified.
13. From its knowledge and experience the Tribunal considered that Mrs Sandler's rate of £85 per hour was reasonable and that it was also reasonable to add on a further charge for the other costs claimed by the Respondents. On that basis, the Tribunal decided that an overall rate of £120 per hour was appropriate and that the time spent would reasonably be about 3 hours.
14. Accordingly the Tribunal decided that the costs payable under Section 60 of the Act would be £360.

  
M J Greenleaves (Chairman)

A member of the Southern  
Leasehold Valuation Tribunal  
appointed by the Lord Chancellor