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Ref: LON/00AG/LCP/2009/0022

LEASEHOLD VALUATION TRIBUNAL FOR THE LONDON RENT
ASSESSMENT PANEL

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN
APPLICATION UNDER SECTION 88(4) OF THE COMMONHOLD AND
LEASEHOLD REFORM ACT 2002, IN RELATION TO COSTS UNDER
SECTION 88(1) & (2)

Property: 4 MANSTONE ROAD LONDON NW2 3XG

Applicants: WATERGLEN LIMITED

Represented by: Tolhurst Fisher LLP

Respondent: MANSTONE ROAD RTM COMPANY LIMITED

Represented by: The Respondent was not represented

Application date: 9th December 2009

Date of paper determination: 9th February 2010

Date of Tribunal's decision: 9th February 2010

Members of the Leasehold Valuation Tribunal:

Mrs T I Rabin JP

FACTS

1. This is an application for the determination of the landlord's reasonable costs under section 88 of the Commonhold and Leasehold Reform act 2002 ("the Act").
2. The Applicant is the freeholder of the property known as 4Manstoone Road London NW2 3XG ("the Property"). The Respondent is a Right to Manage Company
3. The Respondent served a notice seeking the right to manage the Property on the Applicant and, by a counter notice dated 7th April 2009, the Applicant acknowledged that the Respondent was entitled to exercise the right to manage the property with effect from 27th March 2009.
4. The Applicant's solicitors served a notice on the Respondent on 12th October 2009 claiming the costs in connection with the application for the right to manage. The amount claimed was as follows:

Fees	£720.00
VAT @ 15%	£108.00
LR fees	£ 42.00
Company search	<u>£ 2.00</u>
Total	<u>£872.00</u>
5. The Applicant's solicitors have had no response from the Respondent and seek a determination of the amount of costs payable by the Respondent.
6. The Tribunal made directions on 16th December 2009 directing (inter alia) that the Respondent serve a statement of case by 15th January 2010. No such statement has been received.

DECISION

7. Section 88 (1) of the Act states that a Right to Manage Company is liable for the reasonable costs incurred by a person who is:

- (a) landlord under a lease of the whole or any part of any premises
- (b) not applicable
- (c) not applicable

in consequence of a claim of notice given by the company in relation to the premises

8. By section 88(2), the costs incurred by such person for professional services should only be regarded as reasonable –

if and to the extent costs in respect of such services might reasonably be expected to have been incurred by him if the circumstances had been such that he was personally liable to pay the costs.

9. The Applicant gave a breakdown of the costs incurred. The sum of £720 covered investigating the Respondent's right to acquire the right to manage the property, verifying the validity of the notice of claim, perusing office copies of the leasehold title, preparing and serving a counter notice under the Act, the preparation of the contract and related notices and completing the acquisition of the right to manage. The disbursements covered the cost of obtaining the office copies of the leasehold title and a company search,

18. The Tribunal noted that there has been no objection to the level of costs by the Respondent and they have failed to respond to the Tribunal's directions. The amount of work described by the Applicant was considerable and Section 88 of the Act requires the Right to Manage Company to pay the landlord's reasonable costs arising from the service of the notice of claim.

CONCLUSION

19. The Tribunal determines that the landlord's reasonable costs are £7202 together with VAT at 15% and disbursements, making a total of £872. This is payable immediately



Tamara Rabin

Tribunal

9th February 2010