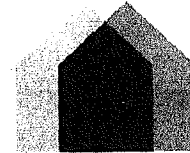


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**HM Courts
& Tribunals
Service**



**Residential
Property
TRIBUNAL SERVICE**

LEASEHOLD VALUATION TRIBUNAL

**LEASEHOLD REFORM, HOUSING AND URBAN DEVELOPMENT ACT
1993 Sections 60 and 91(2)(d) ("the Act")
LON/00AU/OC9/2012/0087**

Property: 168B, Blackstock Road, London N5 1HA

Applicant: Tibor and Cipora Stern

Respondent: Guaranteed Property Co. Ltd.

Date of Application: 10th December 2012

Date of Determination: 30th January 2013

**Tribunal Members: Mr A A Dutton - chair
Miss M Krisko BSc (Est Man) FRICS
Mr J Barlow FRICS**

Date of decision: 30th January 2013

DECISION

The tribunal determines that the sum payable by the Applicants in respect of the Respondent's legal costs pursuant to section 60 of the Act is £659.18 inclusive of VAT with valuers fees of £293.75 inclusive of VAT and HM Land Registry copies in the sum of £28, making a total payable of £980.93

REASONS

BACKGROUND

1. This matter came before the tribunal for a paper determination on 30th January 2013. The application was dated 10th December 2012, and is for the determination of the legal fees payable by the Applicant under section 60 of the Act.
2. There is a paucity of information available to us as the Respondent has failed to comply with the directions issued, notwithstanding that the solicitors for the Respondent, Abrahamson and Associates (AA), were given an extension to file any papers by 4pm 29th January 2013.
3. Mrs Stern had, by letter dated 3rd January 2013 lodged the relevant documentation which she said she held. This included copies of correspondence with her solicitors, Kostick Hanan Herskovic LLP (KHH), their bill of costs and correspondence they had with the Respondent and the Respondent's solicitors AA. We were provided with what purported to be AA's fee note which is undated and unsigned. It appeared to cover the period January to September 2009.
4. The new lease as it seems from the papers before us, dated 20th July 2009, showing a premium payable of £4,300. It is a short, in effect, Deed of Variation of the original lease dated 25th March 1991.
5. By reference to the letter from KHH dated 31st July 2009 it would appear that following service of the Initial Notice under the Act the matter was settled. No Counter-Notice appears to have been served. It is not wholly clear why the matter has remained unsettled for so long. The details of the Respondent's costs were provided to KHH by email dated 4th January 2011 from AA.

THE LAW

The law applicable to this application is set out below and has been applied by us in making this decision.

FINDINGS

6. In the absence of any submissions from the Respondent and the limited input from the Applicants we have been required to determine the issue on that which is before us and our own knowledge and experience of costs in these cases.
7. We have considered the fee note submitted by AA under cover of their email to KHH dated 4th January 2011. This relates to costs incurred in 2009. We are prepared to accept that the hourly rate of £255 is

The Relevant Law

60 Costs incurred in connection with new lease to be paid by tenant.

(1) Where a notice is given under section 42, then (subject to the provisions of this section) the tenant by whom it is given shall be liable, to the extent that they have been incurred by any relevant person in pursuance of the notice, for the reasonable costs of and incidental to any of the following matters, namely—

(a) any investigation reasonably undertaken of the tenant's right to a new lease;

(b) any valuation of the tenant's flat obtained for the purpose of fixing the premium or any other amount payable by virtue of Schedule 13 in connection with the grant of a new lease under section 56;

(c) the grant of a new lease under that section;

but this subsection shall not apply to any costs if on a sale made voluntarily a stipulation that they were to be borne by the purchaser would be void.

(2) For the purposes of subsection (1) any costs incurred by a relevant person in respect of professional services rendered by any person shall only be regarded as reasonable if and to the extent that 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 for all such costs.

(3) Where by virtue of any provision of this Chapter the tenant's notice ceases to have effect, or is deemed to have been withdrawn, at any time, then (subject to subsection (4)) the tenant's liability under this section for costs incurred by any person shall be a liability for costs incurred by him down to that time.

(4) A tenant shall not be liable for any costs under this section if the tenant's notice ceases to have effect by virtue of section 47(1) or 55(2).

(5) A tenant shall not be liable under this section for any costs which a party to any proceedings under this Chapter before a leasehold valuation tribunal incurs in connection with the proceedings.

(6) In this section "relevant person", in relation to a claim by a tenant under this Chapter, means the landlord for the purposes of this Chapter, any other landlord (as defined by section 40(4)) or any third party to the tenant's lease.