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**FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)**

Case Reference : **LON/OOAK/0C9/2014/0014**

Property : **337 Gladbeck Way, Enfield,
Middlesex EN2 7HR**

Applicant : **Mr I. Littlewood (leaseholder)**

Representatives : **In person**

Respondent : **Castle Lane Securities Limited
(landlords)**

Representative : **Romain Coleman (solicitors) with
Brian Martin & Co (surveyors)**

Type of Application : **Applications for the determination
of the costs payable following the
grant of a new lease under Part I,
Leasehold Reform, Housing and
Urban Development Act 1993 ('the
Act')**

Tribunal Members : **Professor James Driscoll, solicitor
(Tribunal Judge) and Mr Neil
Martindale FRICS (Tribunal
Member)**

**Date and venue of
Hearing** : **The Tribunal met on 15 April 2014
and considered the application on
the basis of the papers filed by the
parties, neither party having sought
an oral hearing.**

Date of Decision : **23 April 2014**

DECISION

Summary of the decision

1. The leaseholder is to pay the landlord's costs the sum of £840 (inclusive of VAT) in respect of the solicitor's fees and the sum of £500 (no VAT payable) in respect of the valuer's fee. The total payable is the sum of £1,340.

Introduction

2. The applicant is the leaseholder of one of the flats in the subject premises the freehold of which is owned by the respondent who is the landlord under the lease. We will refer to the parties as the 'leaseholder' and the 'landlord' respectively.
3. This application relates to the leaseholder's claim for the grant of a new lease under the provisions in the Act. The leaseholder gave a notice claiming a new lease under section 42 of the Act and the landlord responded by giving a counter-notice admitting the claim under section 45 of the Act. The parties reached agreement on the premium to be paid for the grant of the new lease and for the purposes of completing the grant the leaseholder paid the costs demanded by the landlord. The leaseholder did not agree with the charges which he considers are excessive.

The application

4. It is common ground that the leaseholder is required to pay the landlord's costs of investigating the claim, obtaining a valuation and the costs of the grant of the new lease. This is provided for in section 60 of the Act. He paid the costs in order to complete the grant of the new lease but he always maintained that the costs are too high. This has led to his application under section 91(2)(e) of the Act to determine the costs to be paid. He paid the sum of £10,000 as a premium for the grant of the new lease.
5. Following this application directions were given by the tribunal. A bundle of documents was prepared which included a copy of the notices, copies of the bills of costs and copies of the statements made by the leaseholder, and the solicitors and surveyors who advised the landlord. Costs of £750 (exclusive of VAT) are claimed for the legal costs and the sum of £550 (no VAT) for the costs of the valuation.

Our decision with reasons for the decision

6. We considered the papers on 15 April 2014. The leaseholder's very detailed submissions included reference to previous decisions of this tribunal and other legal authorities. Essentially he claims that the solicitors charges which are based on an hourly rate of £200 are too high, that the time claimed for doing the work (four hours) is excessive and that the work could have been carried out by a more junior lawyer. He also claims that the surveyor did not do a fully professional job and that his hourly rate (£150 per hour) is too high. He notes that the premium he agreed was lower than the one recommended by the surveyor.
7. Both the landlord's solicitor and the surveyor signed written statements. Mr Baldwin, the landlord's solicitor, states that he is the only conveyancing solicitor in his firm, Romain Coleman, that his hourly rate of £200 is a reasonable charge for a High Street firm and that his firm does not employ a legal executive or a trainee solicitor. Similarly, Mr Martin, the landlord's surveyor contends that his hourly rate of £175 is reasonable for someone of his experience.
8. Section 60(2) of the Act provides '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.' The legal effect of this provision is that a landlord should not expend legal and valuer fees in an unreasonable way safe in the knowledge that the leaseholder will ultimately have to pay the bills.
9. In assessing the disputed fees we have relied on our professional experience and knowledge of such leasehold claims, the legal issues, valuation and the assessment of professional fees. This has led us to the following conclusions.
10. A landlord is entitled to seek specialist advice as in general terms the whole area of enfranchisement and new lease claims is complex. Even though this case does not appear to be particularly complicated his advisors had to satisfy themselves on issues such as whether the leaseholder has a qualifying lease and whether his notice of claim was valid. They also had to consider the terms of the new lease and the premium payable.
11. The leaseholder carried out research into previous tribunal decisions. Whilst we are grateful to him for his efforts past decisions of this tribunal are not binding on later cases. This is for the very good reason that tribunal decisions turn very much on their own facts and do not as a rule serve as a general guide to later cases
12. Based on our experience we conclude that both the solicitor's and the surveyor's hourly rates are reasonable for this type of work. However, just

as a landlord is entitled to appoint specialist advisors, such advisors can be expected to undertake the work quicker than a non-specialist. We have concluded that a reasonable fee for the solicitor's work is £700 (not the £750 claimed) and that a reasonable fee for the surveyor's work is the sum of £500.

**Professor James Driscoll, solicitor (Tribunal Judge) and
Mr Neil Martindale, FRICS (Tribunal Member)**