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**LONDON RENT ASSESSMENT PANEL**

**DECISION ON COSTS OF THE LEASEHOLD VALUATION TRIBUNAL**

**ON AN APPLICATION UNDER SECTION 88(4) OF THE COMMONHOLD AND  
LEASEHOLD REFORM ACT 2002**

**Case Reference:** LON/00BK/LRM/2011/0043

**Premises:** 42-48 Bell Street (evens), London NW1

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**Applicant(s):** 42-48 Bell Street RTM Co Ltd

**Representative:** Field Seymour Parkes

**Respondent(s):** CEMI Ltd

**Representative:** By its directors

**Date of previous  
hearing:** 12<sup>th</sup> January 2012

**Leasehold Valuation  
Tribunal:** Mr Adrian Jack, Ms Marina Krisko FRICS

**Date of directions:** 21<sup>st</sup> March 2012

## **Background**

1. The applicant applied under section 84(3) of the Commonhold and Leasehold Reform Act 2002 for a determination that on or about 18<sup>th</sup> July 2011 it was entitled to exercise the Right to Manage. The respondent served a counternotice and the matter was heard by the Tribunal on 12<sup>th</sup> January 2012.
2. The Tribunal determined that the RTM company was not entitled to exercise the Right to Manage. Accordingly the respondent was entitled to its reasonable costs in consequence of the claim notice being given: see section 88(1) of the 2002 Act. The parties agreed that this matter be determined on paper.
3. The respondent served a Schedule of Costs dated 12<sup>th</sup> January 2012, which comprised six items:
  - (i) Legal advice to deal with the claim notice and preparation of a counternotice £1,200
  - (ii) Legal advice to deal with the applicant's submissions and respondent's submissions £2,000
  - (iii) Legal advice to deal with the applicant's further submissions and respondent's submissions in response thereto £1,200
  - (iv) Preparation of counternotice respondent's submissions and further submissions £3,000
  - (v) Advice of surveyor on application submissions and responses £2,000
  - (vi) Fees for counsel's advice and brief £2,000

## **Decision**

4. The respondent in a document received by the Tribunal on 14<sup>th</sup> February 2012 provided a break-down of the costs. These suggest that work was done by a Mr S Alomo, solicitor, totalling £3,666.50 with Mr Ogunbiyi of counsel charging £1,500 for advice, conference and documents and £2,000 for his brief fee. A covering letter said that the surveyor, who charged £2,000 was Mr Runvir Chaggar of Percy Blackman, chartered surveyors.
5. The RTM company has made detailed submissions dated 27<sup>th</sup> February 2012. The respondent has not responded to the detailed points raised.

6. The respondent never had solicitors on the record. The schedule of costs is signed by CEMI Ltd. It is not clear which human being signed the schedule. Accordingly the Tribunal does not have the usual reassurance from a solicitor that the schedule of costs represents costs genuinely incurred.
7. Seymour Field Parkes have pointed out that Mr Alomo is the subject of action by the Solicitors Regulatory Authority and that Percy Blackman seems to have ceased to exist as a surveying practice. No invoices or fee notes have been produced for any of the expenses. No report was ever served from Mr Chaggar, nor is there any reference in the correspondence to the respondent's instructing an expert.
8. We are not satisfied that the respondent has shown that it has incurred the expenditure in the amount claimed. The only direct evidence of any legal costs being incurred is in the attendance of counsel at the hearing. In the absence of a fee note from Mr Alomo we refuse to allow anything of his time, beyond the £45 conceded by Seymour Field Parkes.
9. Likewise we disallow the monies claimed in respect of Mr Chaggar. There is no evidence he did any work at all and in any event the amount claimed is not justified.
10. In our judgment the costs claimed are in any event unreasonably high. We accept the submissions of Seymour Field Parkes in paragraph 10.
11. We agree that the time spent by the respondent as litigants in person can only be charged at £18 per hour. There is no evidence of financial loss. Nor is there any evidence of the time spent by the directors. However, we consider that twelve hours is a reasonable estimate. Accordingly we allow £216.
12. Counsel did appear at the hearing, but did not prepare any skeleton argument. Nor is it clear what other documentation he may have prepared. The submissions to the Tribunal received 19<sup>th</sup> November 2011 were signed by Mr Thompson, a director. Seymour Field Parkes were prepared to concede £1,000 on this item and we accordingly allow that sum.

#### DECISION

**The Tribunal accordingly determines that the respondent is entitled to £1,261 in respect of its costs payable under section 88 of the Commonhold and Leasehold Reform Act 2002.**



Adrian Jack, Chairman 21<sup>st</sup> March 2012