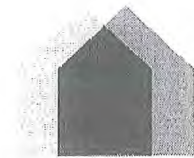


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**HM Courts
& Tribunals
Service**



**Residential
Property
TRIBUNAL SERVICE**

**LEASEHOLD VALUATION TRIBUNAL for the
LONDON RENT ASSESSMENT PANEL**

Commonhold and Leasehold Reform Act 2002 – Section 88(4)

LON/00BK/LRM/2011/0051

Property : **32-41 Eamont Court, Eamont Street
London NW8 7DG**

Applicant : **Chalfords Limited**
Represented by : **Conway & Co**

Respondent : **Eamont Court 32-41 (London) RTM Company
Limited**
Represented by : **Newman Law**

Date of Application: **27 July/7 August 2012**
Date of Directions : **7 August 2012**
Date of Decision : **25 September 2012**

Tribunal : **Mr John Hewitt** **Chairman**
Mr J Raymond Humphrys **FRICS**

Decision

1. The decision of the Tribunal is that the amount of costs payable by the Respondent to the Applicant arising out of a claim notice dated 31 August 2011 given by the Respondent to the Applicant is the sum of £895.15.

NB Later reference in this Decision to a number in square brackets ([]) is a reference to the page number of the hearing file provided for our use.

Procedural History

1. A claim notice was given by the Respondent to the Applicant for costs. A counter-notice was served by the Applicant asserting that on the relevant date the RTM company had not acquired the right to manage.

2. On 1 December 2011 the RTM company made an application to the Tribunal for a determination pursuant to section 84(4) of the Act that it had acquired the right to manage. The landlord served a statement of case following which the RTM company withdrew the claim notice.
3. On 27 July 2012 the Tribunal received an application for costs pursuant to section 88(4) of the Act. That application was submitted by Conway & Co in the name of Seamoat Limited. This was in error and on 7 August 2012 a corrected application in the name of Chalfords Limited was received [2].
4. Directions were given on 7 August 2012 [8].
5. The parties were notified that the Tribunal proposed to determine the application for costs on the papers pursuant to Regulation 13 and that it would do so during week commencing 23 September 2012.
6. The Respondent's statement of case is at [15]. The Applicant's statement of case in answer is at [23].
7. The Tribunal has not received a request for an oral hearing.

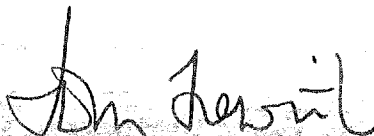
The costs claimed

8. Costs were claimed in the sum of £895.15. A corrected invoice addressed by Conway & Co to Chalfords Limited is at [7]. Costs have been claimed at a charge-out rate of £185 for a solicitor and £165 for an assistant. A detailed breakdown of the work said to have been carried out is at [23]. Rather surprisingly there is not attached to the statement of a copy of the time sheet maintained by Conway & Co setting out what tasks were carried out by whom and when.
9. The gist of the case for the Respondent raises several points:
 - 9.1 Initially the claim was made by Seamoat Limited and an incorrect invoice was raised. A corrected application has been made and we have seen the invoice dated 17 July 2012 issued by Conway & Co to Chalfords Limited [7]. There is no doubt that a counter-notice was prepared by Conway & Co on behalf of Chalfords Limited. A copy is at [30]. We reject this item of challenge;
 - 9.2 Paragraph 3 of the Respondents statement of case objects to costs incurred in connection with filing of documents with the Tribunal but the claim does not include any such costs.
 - 9.3 No objection is taken by the Respondent to the charge-out rates claimed and the Respondent concedes that the Applicant is entitled to its costs of considering the claim notice and preparing the counter-notice. It asserted that the counter-notice was opaque and did not make clear the defects with the claim notice. It appears to be suggested that the Applicant should be penalised in costs for not setting out more clearly the defects in the claim notice. We reject this submission because there does

not appear to be a claim for costs incurred after the counter-notice was given. Thus even if a clearer counter-notice had been given it would not have led to a saving in costs incurred up to that time. It may have given rise to a saving in costs after that time, but that is a different point. It is plain from section 88(1) that an RTM company is liable for reasonable costs incurred by a person in consequence of a claim notice given by that company;

9.4 There is a rather vague challenge to the time incurred and a suggestion that the Applicant should only receive one half of the sum claimed. We have considered carefully the detailed breakdown of the tasks carried out. Whilst it would have been of assistance to us to see the time sheets, the absence of them is not fatal to the application. We are satisfied that the work undertaken and the time claimed for it is well within the range to be expected in a case such as this. The Act provides that a landlord is entitled to scrutinise the validity of a claim notice given to a landlord.

10. In the circumstances we find the costs claimed are reasonable within the meaning of section 88 of the Act and that the sum of £895.15 is payable by the Respondent to the Applicant.



John Hewitt
Chairman
25 September 2012