



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

Case Reference : **LON/00AD/OC9/2014/0056**

Property : **45 Chandlers Drive, Erith, Kent
DA8 1LL**

Applicant : **Hill Properties Limited**

Representative : **Maxwell Winward LLP**

Respondent : **Temitope Olufowobi (leaseholder)**

Representative : **None (formerly represented by
TMJ Law)**

Type of Application : **Assessment of costs under section
60(1) of the Leasehold Reform
Housing and Urban Development
Act 1993**

Tribunal members : **Sonya O’Sullivan
Duncan Jagger MRICS**

Date of Decision : **6 May 2015**

DECISION

The background

1. The Applicant is the freeholder of the building and the competent landlord for the purposes of the Leasehold Reform, Housing and Urban Development Act 1992 (the "1993 Act").
2. The Respondent is the long leaseholder of 45 Chandlers Drive, Erith, Kent DA9 1LL
3. The leaseholder served a section 42 notice seeking to exercise the right to a lease extension under S48 of the 1993 Act on or around 9 October 2012. A Counter notice was served which admitted the right but did not agree the proposed premium.
4. The application for a new lease was withdrawn on 12 November 2013 by a notice of the same date.

The application

5. The landlord has now applied for an assessment of the landlord's costs under section 60(1) of the 1993 Act by an application dated 27 June 2014.
6. Directions were first made dated 3 July 2014. However an issue arose in relation to the leaseholder's legal representatives. The leaseholder was first represented in this matter by TJM Law. However the Solicitors Regulatory Authority intervened in this practice and Russell Cooke were appointed to act on TJM's behalf. Their role was however limited to holding client papers in safe keeping and to advising clients of the need to appoint new legal representatives. The tribunal then wrote to the Respondent on several occasions including on 2 September and 4 December 2014 seeking confirmation as to whether they wished to appoint new legal representatives or act in person. No reply was received to this correspondence. Directions were then reissued on 18 February 2015 to allow for the delay caused by this intervention and served directly on the leaseholder.
7. By letter dated 3 March 2015 the landlord served a copy of the schedule of costs in accordance with those reissued directions. The directions provided that the leaseholder should serve a statement in response by 1 August 2014 setting out any points of dispute to the costs. The leaseholder has failed to do so and has not entered into any further dialogue with the tribunal. Solicitors for the landlord have confirmed that the letter of 3 March 2015 with enclosures sent to the leaseholder at the property address was not returned via the Post Office's dead letter service.

8. Neither party having requested an oral hearing the application was considered by way of a paper determination on 6 May 2015.
9. The costs before the tribunal were confirmed by letter from Maxwell Winward to be the landlord's legal and valuation costs in the total sum of £949.80 inclusive of VAT.

The Legal costs

10. The total costs are £649.80 inclusive of Vat. The work was carried out by a Grade A fee earner with an hourly rate of £285 plus Vat. A full breakdown is provided which sets out the work carried out with both a description and the time spent.

Valuation costs

11. Valuation costs are claimed in the sum of £300 inclusive of vat. The valuation was carried out by Friend & Falcke and the work carried out is described as *"taking instructions, review documents and preparing valuation of the premium to be paid"* (sic).

The Tribunal's decision

12. The provisions of section 60 are well known to the parties and the tribunal does not propose to set the legislation out in full. However costs under that section are limited to the recovery of reasonable costs of an incidental to any of the following matters, namely:-
 - i. Any investigation reasonably undertaken of the tenant's right to a new lease;
 - ii. Any valuation of the tenant's flat obtained for the purpose of fixing the premium or amount payable by virtue of Schedule 13 in connection with the grant of a new lease under section 56
 - iii. The grant of a new lease under that section.
13. Subsection 2 of section 60 provides that *"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"*.

14. The tribunal considers that the rate charged by the fee earner at £285 plus Vat per hour falls within the range generally adopted by the tribunal in cases of this kind. It is noted that the rate is not disputed by the leaseholder.
15. The tribunal is in some difficulty in that the leaseholder has failed to serve any points of dispute to the charges and thus none of the charges before the tribunal are in fact therefore in dispute. However the tribunal has in any event considered the contents of the schedule of costs in some detail. It considers that all the time claimed is recoverable in principle under section 60(1)(a). It has considered the time spent and has concluded that the time spent was reasonable. It therefore allows the legal costs in full in the sum of £649.80.
16. The tribunal has also considered the valuation fee claimed of £300 inclusive of vat. Again it has not points of dispute in relation to this fee. However the tribunal is of the view that the fee charged is a reasonable one for this type of transaction and allows the sum claimed in full.
17. Accordingly the tribunal allows the full sum claimed as set out in the schedule of costs dated 3 March 2015 in the sum of £949.80.

Name: Sonya O'Sullivan

Date: 6 May 2015