45605

FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	:	CHI/00MR/OC9/2017/0022
Property	:	Flat 7, 28-34 New Road, Portsmouth, Hampshire, PO2 7RB
Applicant	:	Marianne Irene Jones
Representative	:	Not represented
Respondents	:	Peter Glyn Bateson and Flavia Michele Bateson
Representative	:	Blake Morgan
Type of Application	:	Determination of costs payable, lease extension
Tribunal Members	:	Judge N P Jutton
Date of Decision	:	20 December 2017

DECISION

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1 **Background**

2 On 29 November 2016, the Applicant served a Notice pursuant to section 42 of the Leasehold Reform, Housing & Urban Development Act 1993 (the 1993 Act) on the Respondents seeking a statutory lease extension of her lease of Flat 7, 28-34 New Road, Copnor, Portsmouth. She proposed a premium of £6,250. Otherwise, she proposed the new lease be in the same terms as her existing lease subject to being amended to be compliant with a statutory lease extension, the latest version of the Council of Mortgage Lenders handbook and the prescribed clauses that might be required pursuant to the Land Registry (Amendment) No.2 Rules 2005.

3 On 27 January 2017, the Respondents' solicitors served a Counter-Notice pursuant to section 45(2)(a) of the 1993 Act. The Counter-Notice admitted that the Applicant had the right to acquire a new lease and proposed a premium of £9,500 but otherwise, stated that the proposals contained in the Applicant's Notice were acceptable.

4 In the event, the parties agreed a premium of £8,500.

5 Section 60 of the 1993 Act provides:

> 60 *(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 accordance with the grant of a new lease under section 56;*
>
> *(c) the grant of a new lease under that section;*
>
> *but this sub-section 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 sub-section (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.*

6 The Applicant is therefore liable for the Respondents' costs as provided for by section 60 subject to the test of reasonableness set out in sub section 60(2). Prior to completion the parties were (and continue to be) in disagreement as to the amount of the Respondents' costs (save for the valuation costs which are not disputed). On 12 June 2017, the Respondents' solicitors wrote to the Applicant's solicitors as follows:

"We note that you wish to complete but do not agree the amount of our client's section 60 costs.

We will agree to this on the basis that our costs of £2,000 plus VAT and disbursements are paid upon completion and that you will simultaneously provide your unconditional written undertaking to make your client's application to the FtT within 14 days of completion, failing which, completion will then become unconditional.

Please also be aware that our current work in progress is £2,155.50 and we have yet to complete this lease extension and report to our client. Our anticipated work in progress will therefore be £2,400 + VAT. Your client is hereby put on notice that we will defend our full costs before the FtT instead of the discounted fee of £2,000 plus VAT that has been put forward for settlement. This offer is therefore made without prejudice to an assessment of the section 60 costs by the Tribunal in due course and strictly on that basis".

7 There is with the papers before the Tribunal a form of completion statement marked 'Completion Date: TBC' which refers to the agreed premium of £8,500, Chandler Hawkins' fees including VAT of £600 (the Respondents' valuer), the Respondents' solicitors' fees including VAT of £2,400 and disbursements of £40.27.

8 It is not clear from the papers before the Tribunal exactly when the matter completed but on 20 June 2017 the Applicant submitted her application to the Tribunal. She confirmed that the valuation fee had been agreed but disputed the Respondents' legal fees of £2,400 and stated that she considered an appropriate fee would be £1,200.

9 Directions were made by the Tribunal on 14 August 2017. They provided that the application would be determined on the papers without a hearing in accordance with rule 31 of the Tribunal Procedure Rules 2013 unless a party objected in writing to the Tribunal within 28 days of receipt of those directions. Neither party has objected and accordingly the Tribunal proceeds to determine this matter on paper without a hearing. The Directions provided for the Respondents to send to the Applicant a statement setting out full details of their claim for costs to include:

(1) The name, status and experience of the fee earners concerned with the case.

(2) The charging rate sought, the dates and number of telephone calls made and letters written and details of time spent.

(3) Any work in progress printouts or other time records.

(4) A copy of all bills rendered to the receiving party in respect of the matter and a copy of all invoices/receipts for disbursements.

(5) Evidence that the amount being sought did not exceed the amount that the Respondents were liable to pay to its lawyers.

The Directions then provided for the Applicant to send to the Respondents Points of Dispute identifying those elements of the Respondents' costs that the Applicant opposed. There was then provision made for the Respondents to send a brief narrative reply in response if it wished.

10 On 31 August 2017, the Respondents' solicitors, as directed by the Tribunal, provided details of its costs in the form of a Schedule and a brief written explanation as to those costs. The total of the costs set out therein came to £3,348.50 plus VAT of £669.70. In addition, the Respondents seek payment of disbursements totalling £40.27 inclusive of VAT. A total of £4058.47. The Respondents' solicitors have not provided a copy of any bills rendered to the Respondents save for a disbursement bill nor any evidence that the amount being claimed does not exceed the amount that the Respondents are liable to pay to their solicitors.

11 On 19 October 2017, the Applicant sent an email to the Tribunal asking that her application be cancelled. The Tribunal asked the Respondents if they agreed to the application being withdrawn but they did not. The Respondents' solicitors stated that they wished the Tribunal to proceed to assess the amount of the Respondents' costs in the said sums.

12 Further Directions were made by the Tribunal on 22 November 2017. The application to withdraw was refused. The Tribunal being of the view that as the costs sought by the Respondents were in dispute, that it was appropriate for a determination to be made. The Tribunal made a Direction that the letter from the Respondents' solicitors dated 31 August 2017 and the attachments including the electronic Schedule of Costs would stand as the Respondents' Statement of Case. The Applicant was directed to file and serve Points of Dispute and the Respondents given permission to file and serve a brief reply thereto. The Applicant wrote to the Tribunal on 13 November a letter stating why she disputed the Respondents' costs. The Respondents' solicitors wrote to the Tribunal on 7 December 2017 in reply. The solicitors contended that the Applicant had not complied with Directions but nonetheless submitted that the Applicant's letter of 13 November 2017 should stand as the Applicant's Points of Dispute and the Tribunal accepts that letter as such.

13 The Tribunal therefore proceeds to determine this matter upon the basis of the Applicant's letter of 13 November 2017, the Respondents' explanation of legal costs and Schedule of Costs that were attached to its letter to the Applicant of 31 August 2017, and the Respondents' solicitors' letter to the Tribunal of 7 December 2017.

14 **The Applicant's Case**

15 The Applicant's case is straightforward. It is that the costs claimed by the Respondents for what she described as *"a straightforward non-complicated request for a lease extension"* are excessive. She says that she has obtained telephone quotes from a number of local firms who had suggested fees of between £1200 and £1500 inclusive of VAT.

16 **The Respondents' Case**

17 In the Respondents' solicitors' letter to the Tribunal of 7 December 2017, they say that the fees quoted on the Completion Statement of £2000 plus VAT plus disbursements were quoted on a conditional basis. That condition being that if those fees were agreed and paid unconditionally, then the Respondents would not have sought any higher sum subsequently. As the letter states:

"In other words, the amount referred to on the Completion Statement was a discount on the cost of the time incurred with a view to those fees being agreed, if they were paid unconditionally and without any subsequent application being required. As the fees were not agreed and paid unconditionally, then the Respondents are not limited to the amount referred to in the Completion Statement as was made clear to the Applicant's solicitors by a letter dated 12 June 2017 ...".

That although subsequently the Applicant has made a further payment of £2440.27 (being the sum plus VAT on the Completion Statement plus disbursements) because those were not agreed and paid on completion, the Respondents remain entitled to recover the remainder of their costs. They deny in any event that the sum claimed on completion of £2400 inclusive of VAT was excessive for a lease extension. That the Applicant does not they say have the expertise to give an opinion as to whether such a sum is excessive, for what the Applicant describes as *"a straightforward non-complicated request for a lease extension".*

18 The total sum claimed by the Respondents is £3348.50 plus VAT and disbursements. That sum, the Respondents say, is reasonable bearing in mind the test to be applied by the Tribunal as set out in section 60(2) of the 1993 Act, that such costs are only to be regarded as reasonable and recoverable where the landlord might reasonably have expected to incur those costs if he was personally liable for the same. Applying that test, the Respondents say that the costs claimed are reasonable and recoverable.

19 No fewer than five different fee earners appear to have worked on the matter at different stages. The majority of the work was carried out by Louise Uphill, an Associate Solicitor of 8 years' post qualification experience and she charged an hourly rate of £255 which appears to have increased part-way through the process in May 2017 to £285. David Wadsworth a Partner of 22 years' post qualification experience charged an hourly rate of £350. Sadie Pitman, a Trainee Solicitor, and Amy Fullerton, another Trainee Solicitor, each charged £150 per hour and Steve Thom an Associate Solicitor of 4 years' post qualification experience, £255 per hour. The costs claimed, the Respondents' solicitors say, do not exceed the costs which the Respondents are required to pay to them. The Respondents submit that the Applicant has failed to provide any written evidence in the form of quotations from other legal firms to support her contention that the costs claimed are greater than that which other firms would charge. Nor the Respondents say, has the Applicant explained what she means by saying that the lease extension was *"non-complicated"*. In all the circumstances, the Respondents say that the total costs claimed by them are payable by the Applicant in full.

20 **The Tribunal's Decision**

21 Section 60 of the 1993 Act seeks to do two things. Firstly, given that the Act confers a right on tenants of leasehold flats to compel their landlord to grant them a new lease, it provides as a matter of basic fairness that a tenant in exercising such rights should reimburse the costs that the landlord reasonably incurs as a consequence.

22 Secondly, it seeks to provide some protection for tenants against being required to pay more than is reasonable. Section 60 does not provide an opportunity for the landlord's advisers to charge excessive fees in the expectation that they can be recovered from the tenants.

23 As it was put very neatly by the Upper Tribunal in **Metropolitan Property Realisations Limited v John Keith Moss** (2013) UK UT 0415(LC) at paragraph 11:

"Section 60 therefore provides protection for both landlords and tenants: the landlords against being out of pocket when compelled to grant new interests under the Act, and for tenants against being required to pay more than is reasonable".

24 The test of reasonableness under section 60(2) has been described as the *"reasonable expectation test"*. What would a landlord reasonably expect to pay if he were paying the costs himself? As the parties approached completion, the Respondents' solicitors provided a Completion Statement. That Statement indicated legal fees including VAT of £2400 and disbursements of £40.27. The Applicant, it appears on the advice of her solicitor, was not happy with those fees. She felt them to be unreasonable. The Respondents' solicitors' letter of 12 June 2017 said nonetheless that they would agree to complete on the basis that costs of

£2000 plus VAT and disbursements were paid upon completion and that the Applicant's solicitors would simultaneously provide an unconditional written undertaking for the Applicant to make an application to this Tribunal within 14 days for those costs to be assessed.

25 The Respondents' solicitors' letter to the Tribunal of 7 December 2017 appears to say something slightly different although nothing much appears to ride upon it. That letter says that the fees quoted on completion of £2000 plus VAT and disbursements represented a discount on the actual costs but if they were agreed and paid unconditionally on completion, then the Respondents would not have sought a higher sum subsequently. If that sum were paid upon completion and agreed, then there would be no need to make an application to this Tribunal.

26 Either way, the Tribunal is satisfied that the Respondents completed on the basis that their section 60 costs had not been agreed. That the costs claimed, which are not limited to £2000 plus VAT and disbursements fall to be determined by this Tribunal.

27 The Respondents are critical of the Applicant for failing to provide detailed Points of Dispute and for failing to file written evidence of quotations from other law firms.

28 However, the Tribunal is mindful of the fact that this application has in effect been made at the instigation of the Respondents. The Respondents' solicitors in their letter to the Applicant's solicitors of 12 June 2017 sought an unconditional undertaking that the application would be made within 14 days of completion. The Respondents in effect were inviting the Applicant to challenge their costs and as such inviting this Tribunal to determine the amount of those costs. This is an expert Tribunal experienced in assessing costs payable pursuant to section 60. The Tribunal has considered carefully the submissions made in writing by both parties.

29 The Applicant does not take issue with the fact that the Respondents instructed solicitors in London notwithstanding the fact that the property is in Portsmouth (see her letter to the Tribunal of 30 November 2017 that was copied to the Respondents' solicitors). The Respondents, it appears from the section 42 Notice and the section 45 Counter-Notice, appear to be resident in Winchester and not in the vicinity of the property. It may well have been more convenient for the Respondents to instruct solicitors in London. The bulk of the work appears to have been carried out by an Associate Solicitor of 8 years' PQE at an hourly rate of £255 increasing part-way through to £285. Although the latter figure is perhaps on the high side for a Solicitor of similar experience and expertise outside of London, the hourly rates charged in the view of the Tribunal in all the circumstances are not unreasonable.

30 The Applicant says that this was a *"non-complicated lease extension"*. The Respondents rather disingenuously, say that the Applicant does not have the expertise to express such an opinion.

31 Upon the basis of the paperwork before it, the Tribunal agrees with the Applicant. This was not a complicated matter. Certainly not a complicated matter for Solicitors who specialise in and are experienced in dealing with statutory lease extensions. In this case, the Applicant served a Notice dated 29 November 2016 pursuant to section 42 of the 1993 Act seeking a lease extension and proposing a premium of £6250. Otherwise the Notice did not propose any major alterations to the lease save for such as might be required to update it in order to comply with the Council of Mortgage Lenders Handbook and as might be prescribed by Land Registry Rules. The Counter-Notice served by the Respondents' Solicitors on 27 January 2017 ran to one page and proposed a premium of £9500 but otherwise agreed the Applicant's proposals. Not surprisingly, given the figures involved, the parties then came to an agreement as to the amount of the premium to be paid. In all the circumstances, this was no doubt one of the more straightforward matters which the Respondents' Solicitors were charged with dealing with.

32 The Respondents have helpfully provided a Schedule of Works carried out by reference to fee earner, activity and time spent. It covers the period starting 5 December 2016 and ending on 31 July 2017. The Tribunal has considered that Schedule very carefully. It accepts that the items claimed in that Schedule are reasonable, and that the costs in respect of such items were reasonably incurred save for the following:

(1) 5 December 2016 *'Speaking to Charlotte Russell'*. The entry is 1 unit. It relates to a meeting between Louise Uphill and one Charlotte Russell *"renew instruction and next steps"*. There is no explanation as to who Charlotte Russell is or why it was felt necessary for a Solicitor of 8 years' PQE who specialises in this area of work to speak to Charlotte Russell who presumably is a colleague about the new instructions and the *"next steps"*. The Tribunal disallows the entire amount claimed of £25.50.

(2) 5 December 2016 *'Letter of engagement'*. The Respondents' Solicitors sent a letter of engagement to the Respondents on 5 December 2016. An email was then received from the Respondents on 6 December 2016 in respect of the letter of engagement. The fee earner, Louise Uphill, then spoke again to Charlotte Russell on 6 December 2016 *"re general letter of engagement"*. There is then an email sent the same day to the Respondents *"re specialist need for letter of engagement on this occasion"* and then an email received from the Respondents on 8 December 2016 *"accepting our terms"*. There is then an exchange of emails between the Respondents and their Solicitor on 8 December *"re terms of business and providing an update"* and then a further email exchange between the Respondents and their Solicitors on 19

December 2016 *"re fees"*. There seems to have been an inordinate amount of time spent by the Respondents' Solicitors in finalising their terms of engagement which presumably for the Respondents' Solicitors is a relatively standard and regular type of work. It is difficult to see how that can progress the matter. There is no explanation as to why it was felt necessary to speak again to Charlotte Russell about the terms of engagement or why a fairly straightforward process became so apparently convoluted. The Tribunal does not accept that a landlord would regard it as reasonable if he were paying the costs that he should pay for the time spent by his solicitor in simply agreeing the solicitor's terms of retainer. There is reference to '*providing an update*' for which the Tribunal allows one unit. The Tribunal also accepts that part of the exchange of emails between the Respondents and their solicitors would have been no doubt addressing the recoverability of fees under section 60 (in particular the exchange on 19 December 2016). Accordingly on the basis of the information before it, the Tribunal reduces the amount claimed by 7 units, a total of £178.50.

(3) 20 January 2017 '*Drafting of Counter-Notice*'. The Counter-Notice runs to 1 page of A4. It is a standard form of Notice. 5 units of time are claimed on 20 January 2017 for drafting the Notice and accompanying letter. 3 units of time are claimed on 26 January 2017 for checking the Counter-Notice. A further unit of time is claimed on 26 January 2017 for revising the Counter-Notice. That is a total time spent of 9 units for drafting a simple standard form of Counter-Notice which ran to 1 page of A4. In the view of the Tribunal, that is excessive and the Tribunal disallows 4 units at the rate of the most junior fee earner involved, a reduction of £60.

(4) At the start of February 2017 and there are various emails between the Respondents' Solicitors and the Respondents' Valuer to arrange for the Valuer to meet with the Applicant's Valuer. On 8 February 2017 there is a letter from the Applicant's solicitor with the applicant's valuers details. On the same day there is an email to the Respondent's Valuer to ask him to get in touch with the Applicant's Valuer. There is then an email on 14 February 2017 to the Respondents' Valuer with *"surveyor's details"*, presumably details of the Applicant's Surveyor. Those presumably were or should have been contained in the email to the Respondents' Valuer on the 8 February. There is then an email exchange with the Respondents Valuer on 27 February 2017 *"requesting that he contacts T solicitors"*. That presumably is meant to be a reference to the Applicant's Surveyor or if it is to the Solicitors, it is for him to make arrangements via the Solicitors to meet with the Applicant's Surveyor. A simple process of arranging for one valuer to speak to another appears to have used up 4 units, 24 minutes, at a cost of £102. In the view of the Tribunal, that is excessive and unreasonable. The Tribunal disallows 2 units, £51.

(5) Drafting of the lease. On 3 April 2017, 30 minutes is spent drafting the new lease. That presumably is in a relatively standard form. On 4 April 2017, a further 8 units is spent reviewing the existing lease to ensure that it is CML compliant. That is a reference to the Council of Mortgage Lenders requirements. On 6 April 2017, a further 3 units are spent reviewing the draft lease and assessing alterations to the existing lease. That is a total time spent of 16 units, 1 hour 36 minutes in drafting a lease. In the experience of the Tribunal, such documents are relatively straightforward. They simply incorporate the terms of the existing lease by reference to the existing lease subject to making amendments in relation to the term, the ground rent and any other provisions required to *"modernise"* the lease. Experienced solicitors operating in this area of work will no doubt be familiar with the requirements of the Council of Mortgage Lenders. In the circumstances, the best the Tribunal can do upon the basis of the information before it is to allow 8 units for drafting the lease. It disallows 8 units at the rate of the most junior fee earner involved, a reduction of £120.

(6) On 2 May 2017, 1 unit is claimed for drafting the Completion Statement. On 4 May 2017 a further 2 units are claimed for reviewing and finalising the Completion Statement. The Tribunal has a copy of that Statement. It is a simple document. It sets out the agreed statutory premium, the amount of the Valuer's fees and the amount of the Respondents' legal costs and disbursements. It is not a document in the view of the Tribunal which should take 3 units of time to draft. The Tribunal allows 2 units and makes a reduction of £28.50.

(7) On 4 May 2017, an email is sent to the Respondents to confirm *"completion statement has been sent"*. In the view of the Tribunal, this was not necessary. It does not progress the matter. The item is disallowed, a reduction of £28.50.

(8) On 12 June 2017, 2 units are claimed for finalising letter to the Applicant's solicitor *"re costs and completion"*. On 13 June 2017, a further unit is claimed for *"reviewing email to T solicitors"*. This presumably is a reference to the letter which the Tribunal has seen dated 12 June 2017. 3 units to draft such a letter in the view of the Tribunal is not reasonable and the Tribunal makes a reduction of 1 unit in the sum of £28.50.

(9) On 12 June 2017, 3 units are claimed for an email to the Respondents *"to update and report T disputing costs"*. In the view of the Tribunal, the issues in dispute between the parties in relation to costs were not complex and to claim 3 units for writing a letter and advising the client is unreasonable. The Tribunal makes a reduction of £28.50.

(10) On 13 June 2017, 1 unit is claimed for *"reviewing email to T solicitors"*. On the same day a further 2 units are claimed for

"consider email in response". On the same day there is another unit claimed for *"email in response"* and 2 units claimed for time spent by David Wadsworth, a Partner of 22 years' PQE at the rate of £350 per hour for *"reviewing JT draft prepared by LU approved/amended"*. A lot of time has been spent in preparing and reviewing a draft letter from the Respondents' Solicitors to the Applicant's Solicitors. It is not clear if that is one letter or two letters. It is not clear if it is the letter of 12 June 2017 which is before the Tribunal. The issues in this matter are not complicated. They are not issues which an experienced solicitor in this line of work will be unfamiliar with. In the view of the Tribunal, it is unreasonable to expect the Applicant to pay for the time spent by a Partner in reviewing a draft letter prepared by a Solicitor with 8 years' PQE. The sum of £70 is disallowed.

(11) On 3 July 2017, 2 units are claimed by an Associate Solicitor of 4 years' PQE Stephen Thom for *"reviewing proposed undertakings and discussing next steps with LU"*. On the same day, 2 units are claimed for time spent by David Wadsworth discussing with Louise Uphill the *"requirement of express written undertaking from JT (for tenant) on terms sought and offered, to ensure enforceability"*. On the same day, a further 3 units are claimed for Louise Uphill in amending a letter to the Applicant's Solicitors *"insisting on an undertaking"*. It is not clear what the undertakings referred to are. Presumably they relate to the undertakings requested by the Respondents' Solicitors to be given by the Applicant's Solicitors on completion. The Solicitor with the primary conduct of this matter appears to have been Louise Uphill, an experienced Solicitor of 8 years' PQE. A Solicitor no doubt experienced in work of this nature. It is not clear why another Solicitor, Stephen Thom, an Associate Solicitor of 4 years' PQE needed to spend 2 units reviewing the proposed undertakings and discussing those with Louise Uphill. It is not clear why Louise Uphill needed to spend 2 units discussing the terms of the undertaking with David Wadsworth, nor why a further 3 units were required to amend the letter to the Applicant's Solicitors seeking that undertaking. In all, a total of £206.50 appears to be claimed for drafting, considering and reviewing a letter from the Respondents' Solicitors to the Applicant's Solicitors regarding a proposed undertaking. That is excessive. The best the Tribunal can do on the evidence before it is to allow 3 units for drafting such a letter at the rate charged by the Solicitor who appeared to have the day to day conduct of the matter Louise Uphill, that is a sum of £85.50, a reduction therefore of £121.00.

(12) On 26 July 2017, 5 units are claimed for *"email with T Solicitors re completion and email to client in draft"*. On the same day, a further 3 units claimed for *"reviewing email to client with DW and 2 more emails from T Solicitors re completion"*. It is not clear how much time has been spent in drafting and reviewing an email to the Respondents. It is unreasonable in the view of the Tribunal to expect the Applicant to pay for time spent by a Partner in reviewing

an email to a client drafted by an Associate Solicitor of 8 years PQE. More particularly, in the view of the Tribunal, the Respondents would not have reasonably expected to pay for such time spent if they were personally liable for such costs. Accordingly, the Tribunal disallows 2 units, £57.

(13) On 31 July 2017, 1 unit is claimed for time spent preparing an attendance note *"of call with client re arrears/completion"*. That presumably is a simple note. A note that can be made within the time claimed for the call itself. The Tribunal disallows 1 unit, £15.

33 The total of the sums disallowed by the Tribunal as set out above are £812.00. A reduction in the fees claimed by the Respondents from £3348.50 to £2536.50.

34 **Disbursements**

35 The Respondents have produced a disbursement only invoice dated 3 August 2017 headed *"interim statute bill"*. That includes a claim for courier fees *"to PO9 1TR on 27.01.17"* which would appear to be the offices of the Applicant's Solicitors. That is the same date as the section 45 Counter-Notice. Whilst the Tribunal appreciates that the Respondents' Solicitors will be concerned to ensure that the Counter-Notice was served on time, it was not in the view of the Tribunal necessary to instruct a courier to server the Counter-Notice. It could have been served by post, by a form of secure post, or (particularly if the Applicant's Solicitors agreed) by email. The cost of posting would form part of the Respondents' Solicitors' overheads. In all the circumstances, the Tribunal disallows the sum of £21.06 plus VAT, a total of £25.27 in respect of courier fees.

36 **Summary of Tribunal's Decision**

37 The Tribunal disallows a sum of £812.00 in respect of the Respondents' Solicitors' profit costs, a total including VAT of £974.40. The Tribunal also disallows courier fees of £25.27. Accordingly the Tribunal determines that the reasonable legal costs of the Respondents which are payable by the Applicant pursuant to section 60 of the 1993 Act inclusive of VAT and disbursements are £3058.80.

Dated this 20th day of December 2017

Judge N P Jutton

Appeals

1. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application

to the First-tier Tribunal at the Regional office which has been dealing with the case.

2. The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

3. If the person wishing to appeal does not comply with the 28-day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

4. The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.