

CASE REFERENCE:
CHI/43UJ/HTC/2021/0005

RUSPER HOUSE , MICHEL GROVE,
EASTBOURNE

| Item | Date | Activity | Description | Fee earner | Status | Hours | Rate | Amount | Respondent's Comments | Applicant's Points of reply |
|------|------------|-----------|---|------------|---------|-------|---------|----------|---|---|
| | 22/08/2018 | Documents | Considering Initial Notice and reviewing all title documents and reporting to client | SJS | Partner | 0.7 | £625.00 | £ 437.50 | | |
| 1 | 22/08/2018 | Letter | Engaged preparing letter to Nominee Purchasers solicitors seeking deduction of title | SJS | Partner | 0.1 | £625.00 | £ 62.50 | Item 1 seems excessive given costs are claimed for reviewing title documents before the solicitors for the Applicant sought deduction of title (see Item 2). An allocation of 0.2 hours seems more appropriate. The nature of the claim does not justify a departure from the SCCO guideline rates for London (Grade A £512, Grade B £348, Grade C £270, Grade D £186). We can only assume SJS is a Grade A fee earner when this matter could have been addressed by a Grade B fee earner given the position was straightforward. | The costs claimed are in accordance with Section 33 of the Act and are recoverable. The specific time limit set out by the Act does not afford the Reversioner a great deal of time to consider the Claim Notice and instruct a valuer. It is important to review the Claim Notice as soon as possible. We refer to the Statement in Reply with respect to the submission regarding SCCO guideline rates. |
| 2 | 26/09/2018 | Email | Preparing email to valuer with instructions | SJS | Partner | 0.1 | £625.00 | £ 62.50 | The nature of the claim does not justify a departure from the SCCO guideline rates for London (Grade A £512, Grade B £348, Grade C £270, Grade D £186). We can only assume SJS is a Grade A fee earner when this matter could have been addressed by a Grade B fee earner given the position was straightforward. | Please see Statement in Reply concerning the SCCO guideline rates |
| 3 | 27/09/2018 | Documents | Reviewing valuation report | SJS | Partner | 0.5 | £625.00 | £ 312.50 | We repeat our comments for Item 2 here. | |
| 4 | 03/10/2018 | Documents | Engaged considering initial notice and title documents/map search and preparation of the draft counter-notice | SB | Partner | 1.5 | £495.00 | £ 742.50 | This is a matter for the Applicant's surveyor not their solicitors. This does not fall within section 9(4) of the Leasehold Reform Act 1967 and should be disregarded. | It is important for any solicitors acting for the Reversioner to consider a valuation report to ensure the details are correct and in this case it was also important to consider the position on the appurtenant land. |
| 5 | | | | | | | | | There is further reference to reviewing title documents. It is evident there has been a duplication of work due to the number of different fee earners. It is not possible to precisely identify this duplication due to the lack of detail in the costs schedules. In the absence of information we assume SB is a Grade A fee earner when this work could have been carried out by a Grade B fee earner with ease with an hourly rate of £348. An allocation of 1.5 hours is excessive and unreasonable as the costs of preparing the counter-notice are not recoverable under section 9(4) of the Leasehold Reform Act 1967. Costs should be limited to 0.3 hours. | SB is a grade A fee earner and the Reversioner is entitled to instruct the solicitors of its choice and the Tribunal have consistently accepted the charge out rate and involvement of a Grade A fee earner. The Property Chamber is referred to the Statement in Reply |

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|------------|-----------|---|-----|------------------|-----|---------|----------|---|--|
| 10/10/2018 | Documents | Engaged amending counter-notice | SB | Partner | 0.5 | £495.00 | £ 247.50 | | |
| 6 | | | | | | | | The description here is vague and it is not clear what this work entailed. In any case these costs would fall outside section 9(4) of the Leasehold Reform Act 1967 and are not recoverable. | It is incumbent on the the solicitors for the Reversioner to consider the draft counter-notice together with up to date title documentation, the valuation report and intructions. |
| 15/10/2018 | Documents | Review of title documents, rights and appurtenant land and preparation of the TR1 | SAK | Senior Assistant | 2.5 | £385.00 | £ 962.50 | | |
| 7 | | | | | | | | Item 9 is excessive and should be discounted in full. There had already been a review of title documents at item 5. This is now the third item relating to review of title documents by three different fee earners. Time to be limited to 0.2 hours. | |
| 16/10/2018 | Documents | Review of the transfer of the appurtenant property | SAK | Senior Assistant | 0.2 | £385.00 | £ 77.00 | | |
| 8 | | | | | | | | The revised allocation of 0.2 hours for item 7 above for the drafting of the transfer will be more than sufficient to avoid a duplication of costs. | These costs are payable pursuant to Section 33 of the Act and are resonable in the circumstances. The Property Chamber is referred to the draft transfer attached to the counter-notice. |
| 16/10/2018 | Documents | Amending and updating counter-notice and TR1 | SAK | Senior Assistant | 0.7 | £385.00 | £ 269.50 | | |
| 9 | | | | | | | | Again, this appears to be a repeat of item 6 and it is not clear why two fee earners were required to carry out the same work. This is not agreed and falls outside section 9(4). | |
| 16/10/2018 | Email | Engaged preparing email to valuer | SAK | Senior Assistant | 0.1 | £385.00 | £ 38.50 | | |
| 10 | | | | | | | | No comment save for guideline rates shall apply. | Please see Statement in Reply concerning the SCCO guideline rates |
| 17/10/2018 | Emails | Engaged on call with valuer regarding the appurtenant land and stores | SAK | Senior Assistant | 0.5 | £385.00 | £ 192.50 | | |
| 11 | | | | | | | | This is an excessive amount of time and we consider this would not have been incurred had the Applicant been personally liable for these costs, hence this item should be discounted. | Theses costs are payable pursuant to Section 33 of the Act. In preparing the Transfer it was necessary for the solicitor to speak to the valuer who had knowledge of the building and had carried out an inspection. It is to be noted that a site visit by the Solicitors would also fall within Section 33 and as such there is a saving in this regard. |
| 17/10/2018 | Email | Engaged preparing email to client | SB | Partner | 0.1 | £495.00 | £ 49.50 | | Seeking further instructions from the Reversioner concerning the price payable, the property to be acquired and the retention of rights over appurtenant land |
| 12 | | | | | | | | No context is given. If concerning value this matter would fall outside section 9(4). | |
| 18/10/2018 | Documents | Engaged obtaining up to date title documents | JN | Para-legal | 0.2 | £210.00 | £ 42.00 | | |
| 13 | | | | | | | | This seems unnecessary particularly given the Applicant seeks to recover time for three earlier reviews of the same time by different fee earners. This item should be discounted. | Accepted |
| 18/10/2018 | Email | Engaged on email with client | SB | Partner | 0.1 | £495.00 | £ 49.50 | | Please see Statement in Reply concerning the SCCO guideline rates |
| 14 | | | | | | | | We repeat our comments at item 2 here. | |

18/10/2018 Documents Review and further amend TR1 and plan SAK Senior Assistant 0.5 £385.00 £ 192.50

15

18/10/2018 Letter Preparing letter to Nominee Purchaser serving the counter-notice SB Partner 0.1 £495.00 £ 49.50

16

This seems an unnecessary item of work given the Applicant's claim the initial notice was invalid. This is also a duplication of time already incurred with drafting and amending the TR1 at items 7 and 9.

We repeat our comments at item 2 here.

General Comments: There has been a breach of the indemnity principle, as the sums invoiced by the Applicant were less than the figures in the costs schedules.

General Comments: The nature of the claim does not justify a departure from the SCCO guideline rates for London (Grade A £512, Grade B £348, Grade C £270, Grade D £186). This claim did not warrant a Grade A fee earner dealing nor did it warrant four earners duplicating costs.

Where an Initial Notice is invalid a Reversioner is still required to serve a counter-notice pursuant to Section 21 of the Act admitting entitlement to acquire the freehold and setting out counter-proposals to the proposals contained in the Initial Notice. There is a difference between denying entitlement and contending an Initial Notice is Invalid. Please see Statement in Reply concerning the SCCO guideline rates

The invoice raised to the Respondent clearly states that it is an interim invoice and a further invoice will be raised upon determination of the costs application. There has been no breach of the indemnity principle.

Please see Statement in Reply concerning the SCCO guideline rates . There has been no duplication of time spent by the relevant fee earners and all time spent is properly recoverable pursuant to Section 33 of the Act

Total Time

8.4

| Work on documents | Hours |
|--|-------|
| Partner (SJS) | 1.2 |
| Partner (SB) | 2.0 |
| Assistant Solicitor (SAK) | 3.9 |
| Paralegal (JN) | 0.2 |
| Communications with client | |
| Partner (SJS) | 0.1 |
| Partner (SB) | 0.2 |
| Communications with valuer | |
| Assistant (SAK) | 0.6 |
| Communications with Nominee Purchaser | |
| Partner (SJS) | 0.1 |
| Partner (SB) | 0.1 |

Total Fees

£3,788.00

Overall, we consider only £750 plus VAT is recoverable from the Respondent towards the Applicant's legal costs.

Not accepted

VAT @ 20%

£ 757.60

Courier fees

£ 295.95

VAT @ 20%

£ 59.19

Land Registry Fees

£ 57.00

VAT @20%

£ 11.40

8.4

TOTAL

£4,969.14

Respondent's
comments:

We require clarity on the grade of each fee earner. The schedule does not set out the experience of each fee earner in breach of the directions issued by the Tribunal.

The fee earners are all grade A fee earners and the details of the charge out rates are listed in the Statement of Costs