



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

Case Reference : LON/00/AE/OC9/2017/0128

Properties : 89 and 93 Sudbury Court Road,
Harrow HA1 3SG

Applicants : Mayra Doreen Shaw (1)
Vivienne Rachelle Shaw (2)

Representative : Griffith Smith Farrington LLP

Respondent : Cavendish Square Investments
Limited (1)
The 87-97 Sudbury Court Road
Residents Association Limited (2)

Representative : Kidd Rapinet LLP

Type of Application : S92 Leasehold Reform, Housing
and Urban Development Act 1993 –
determination of costs payable
pursuant to s60.

Tribunal Member : Judge John Hewitt

**Date and venue of
Determination** : 25 July 2017
10 Alfred Place, London WC1E 7LR

Date of Decision : 25 July 2017

DECISION

Decisions of the tribunal

1. The tribunal determines that the costs payable by the applicants to the respondents pursuant to s60 of the Act are:

| | 89 Sudbury Court Road | 93 Sudbury Court Road |
|-------------------|------------------------------|------------------------------|
| Solicitors' costs | £1,100.00 | £1,100.00 |
| VAT @ 20% | £ 220.00 | £ 220.00 |
| Totals | £1,320.00 | £1,320.00 |

2. The reasons for my decisions are set out below.

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

Procedural background

3. The first respondent is the present reversioner and the second respondent is a management company and a party to the subject leases. The applicants are the long lessees of the two subject flats.
4. The applicants sought to exercise the right to a new lease in respect of each flat, pursuant to section 42 of the Act. The solicitors to the previous reversioner did not serve valid counter-notices.
5. On 18 May 2017 the applicants made an application pursuant to s92 of the Act seeking a determination of the amount of costs payable by them pursuant to s60 of the Act [3].
6. Directions were given on 19 May 2017 [1]. The parties were notified that the tribunal proposed to determine without an oral hearing, unless a request for an oral hearing was made. The tribunal has not received any such request.
7. The applicants' solicitors say that the respondents have not fully complied with direction 2, but they have provided a costs schedule [12] in which they claim a total of £4,112.50. No mention is made of VAT. In the covering letter dated 1 June 2017 [11] the respondents' solicitors simply assert: "*Could we remind you that our costs figure relates not only to the application to the Tribunal but the previous 'abortive' work relating to the 'voluntary' lease extensions.*"
8. The applicant's solicitors' representations in reply are at [13].

Statutory costs – the right

9. S60(1) provides that where a notice is given under s42, there shall be payable to the relevant person the reasonable costs of an 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 sum payable in connection with the grant of a new lease; and
- (c) the grant of a new lease.

Determination of the amount payable

- 10. The respondents' solicitors have not separated out the costs or fees under the three heads set out in s60(1). Plainly no costs are recoverable under s60(1) referable to any earlier abortive voluntary negotiations.
- 11. In the absence of any or any helpful information provided by the respondents' solicitors I can but apply a broad-brush approach working with the imperfect materials before me.
- 12. I am broadly sympathetic with the submissions made on behalf of the applicants because they strike a chord with me.
- 13. Notwithstanding that, in the event, no valid counter-notice was given it remains a distinct probability that some time and expense will have been spent on considering the notices of claim and the entitlement of the of the applicants. I am prepared to allow one hour at £350. I accept the thrust of the applicants' representations on drafting the leases and I accept the proposal of £400 per lease. I also accept the proposal of £350 for attending to completion matters.
- 14. Accordingly, I assess the legal costs per property at £1,100 + VAT of £220, being a total of £1,320.00.
- 15. There was no claim by the respondents solicitors in respect of valuation costs and thus the amount allowed for that is nil.

Judge John Hewitt
25 July 2017