

LVT 96/5

LEASEHOLD VALUATION TRIBUNAL **OF THE** MIDLAND RENT ASSESSMENT PANEL

Our Ref: M/LRC 266

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER SECTION 21(1) (ba) OF THE LEASEHOLD REFORM ACT 1967

Applicant:

Mr B W & Mrs S M McCarthy

Respondent:

Newland Properties Limited

Re:

1 Chantry Heath Crescent, Knowle, Solihull, B93 9NH

Date of Tenants Notice:

3 January 2001

Application to Tribunal dated:

15 May 2001

Dealt with by written representations at:

The Panel Office

On:

Tuesday 17 December 2001

APPEARANCES:

For the Applicant:

N/A

For the Respondent: N/A

Members of the Leasehold Valuation Tribunal:

Mr J R Bettinson LLD (Chairman) Mr D J Satchwell Mrs N Jukes

Date of Tribunals decision:

21 JAN 2002

LEASEHOLD VALUATION TRIBUNAL **OF THE** MIDLAND RENT ASSESSMENT PANEL

Our Ref: M/LRC 267

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER SECTION 21(1) (ba) OF THE LEASEHOLD REFORM ACT 1967

Applicant:

Mr A A & Mrs M E Lattimer

Respondent:

Newland Properties Limited

Re:

2 Whateley Hall Close, Knowle, Solihull, B93 9NL

Date of Tenants Notice:

3 January 2001

Application to Tribunal dated:

15 May 2001

Dealt with by written representations at:

The Panel Office

On:

Tuesday 17 December 2001

APPEARANCES:

For the Applicant:

N/A

For the Respondent: N/A

Members of the Leasehold Valuation Tribunal:

Mr J R Bettinson LLD (Chairman) Mr D J Satchwell Mrs N Jukes

Date of Tribunals decision:

21 JAN 2002

LVT 96/5

LEASEHOLD VALUATION TRIBUNAL OF THE MIDLAND RENT ASSESSMENT PANEL

Our Ref: M/LRC 26%

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER SECTION 21(1) (ba) OF THE LEASEHOLD REFORM ACT 1967

Applicant:

Ms T R Hodgson

Respondent:

Newland Properties Limited

Re:

57 Arden Vale Road, Knowle, Solihull, B93 9NW

Date of Tenants Notice:

30 November 2000

Application to Tribunal dated:

15 May 2001

Dealt with by written representations at:

The Panel Office

On:

Tuesday 17 December 2001

APPEARANCES:

For the Applicant:

N/A

For the Respondent: N/A

Members of the Leasehold Valuation Tribunal:

Mr J R Bettinson LLD (Chairman) Mr D J Satchwell Mrs N Jukes

Date of Tribunals decision:

21 JAN 2002

REASONS FOR THE LEASEHOLD VALUATION TRIBUNAL DECISION IN RESPECT OF:

1 Chantry Heath Crescent, Knowle, Solihull, West Midlands, B93 9NH 2 Whateley Hall Close, Knowle, Solihull, West Midlands, B93 9NL 57 Arden Vale Road, Knowle, Solihull, West Midlands, B93 9NW

APPLICATION:

These were applications to determine the Landlord's reasonable legal costs payable by the respective tenants of the properties pursuant to section 9 (4) Leasehold Reform Act 1967 and Schedule 22 Rule 1 (5) Housing Act 1980 following the freehold enfranchisement effected by agreement between the parties in each case.

SUBMISSIONS:

The Tribunal received written submissions from Messrs Midland Valuations on behalf of the respective Tenants and from Messrs William Sturges Solicitors on behalf of the Landlords. The latter are claiming £400 plus VAT in respect of each property and in support emphasise: -

- 1. The location of the Freeholders' historic Solicitors (Ealing, London)
- 2. The value of each unregistered title and its investigation/deduction.
- 3. The varying nature of the title to different properties.
- 4. The current upwards trend in conveyancing costs.

In further support they set out at some length the various stages of each matter commencing with the perusal of the Estate Agent's Memorandum of Sale and concluding with the dispatch of the proceeds of sale to their clients.

Mr J Moore of Messrs Midland Valuations and on behalf of the Tenants argues for £200 (plus VAT if applicable) citing a number of previous decisions of the Tribunal where costs awards varying between £150 and £200 have been made and stressing the economies of multiple transfers and the perceived competitive market in solicitors conveyancing charges. He also quotes the decision of the Tribunal in the case of 1046 Aldridge Road, Great Barr (M/LRC 212) as follows: -

"We accept that there is authority both for and against the reasonableness of instructing London solicitors on a matter closely connected with a provincial city. Despite the proposition that a party might be expected to instruct its usual solicitors (in this case London solicitors), we find and hold that the matter in dispute has no obvious connection with London and does not require expertise only to be found in London; and that there are, in Birmingham, many legal practitioners who undertake leasehold enfranchisement work. For these reasons, in deciding the reasonableness for section 9 (4) purposes, we do not accept [the freeholder's agents] submission and decide that London rates are not appropriate. We find that the amount of the reasonable costs incurred for sub-section (4) (b), (c) and (d) shall not exceed £258, to include £8 for office copy entries."

DECISION:

The legal costs reasonably attributable to the enfranchisement of leasehold properties must take into account the particular circumstances eg: is the title registered/unregistered and to what extent the firm of solicitors has been required (if at all) to process and validate the claim. Nevertheless regard has to be had to the market and the highly competitive nature of quotations for such legal work that has obtained for some years. We do not necessarily accept that the charges made by London solicitors (certainly the smaller sized firms based outside the city centre who deal with domestic conveyancing) will be significantly different from those made by solicitors elsewhere in the country. We do however recognise that rising overheads have brought pressure to bear on all businesses and the time may well have come when there must be some recognition of this in applying our general approach. On the basis that in the present cases there is a need to deduce unregistered titles we therefore determine the legal costs payable by each of the tenants at £275 plus disbursements (and VAT if applicable).

J. R. BETTINSON

Chairman

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