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Residential Property TRIBUNAL SERVICE

DECISION BY THE LEASEHOLD VALUATION TRIBUNAL FOR THE LONDON RENT ASSESSMENT PANEL

LEASEHOLD REFORM, HOUSING AND URBAN DEVELOPMENT ACT 1993 SECTION 60

Ref: LON/00AG/OC9/2008/0023

Property: 8 Adamfields, 28 Adamson Road, London NW3 2JB

Applicant:

Heritage Land plc

Respondent:

Robin Rahimian

Date of decision:

27th May 2008

Tribunal:

Mr Adrian Jack

- The applicant landlord applies under section 60 of the Leasehold Reform, Housing and Urban Development Act 1993 for determination of the costs payable to it following the tenant's application for an extended lease.
- 2. The respondent tenant holds a 99 year lease commencing at Christmas 1973. On 21st January 2007 his predecessor in title sought a lease extension by service of a notice in statutory form. The respondent tenant agreed to purchase the flat with the benefit of the said application, but after

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service by the landlord of a counter-notice, the application never proceeded. The tenant accepts his liability in principle to pay the landlord's costs.

3. The landlord has served a detailed statement of its costs. This consists of:

Landlord's solicitors' costs (Mr Levontine)	£442.49
Ditto (Ms Cooper)	500.00
Plus VAT	164.94
But limited to	1,057.50
Disbursements (office copy entries)	28.20
Savills valuation fees	1,175.00
Disbursements (travel and photography)	30.55

£2,291.25

- 4. Mr Levontine was a partner with a charge out rate of £295 per hour. Ms Cooper was a legal executive at £150 per hour. Maxwell Winsard LLP, the solicitors concerned, are a City of London firm with offices on Ludgate Hill.
- 5. The Savills fee was a lump sum of £1,000 plus VAT. The work was done by Mr Churchouse, a director. He spent two hours travelling and taking measurements and two hours reading the lease, carrying out research, raising queries, preparing calculations and producing a valuation report. At his normal charge out rate of £325 per hour, the work would have cost £1,300 plus VAT.
- 6. The tenant makes a number of criticisms of the sums claimed by the landlord in respect of solicitors' costs. Firstly it is said that the time spent by the fee earners was excessive. Mr Levontine spent 1 hour 30 minutes considering the notice of claim and the advising the landlord on its content. Ms Cooper spend 3 hours 20 minutes considering the notice of claim, serving a notice requiring payment of a deposit and deduction of title, preparing and serving a counter-notice and considering the form of the lease. In my judgment the time spent was proportionate and reasonable.
- 7. Secondly the tenant submits that the work could all have been done by Ms Cooper. Again in my judgment it was reasonable for a partner to be

involved. The majority of the work was done by Ms Cooper and it was proper for Mr Levontine to give the client advice.

- 8. Thirdly the tenant submits that the "documentation is of a standard nature and not complicated in any way." In my judgment an application for a lease extension is rarely of a "standard nature", but I agree that there do not appear to have been any "unusual or complex features". The total time spent of 4 hours 50 minutes is, however, in my judgment fully justified for a comparatively simple case such as the present.
- 9. Fourthly the tenant points out that no client care letters have been produced. This is true, but the charge out rate is below the rates of many firms in the City of London and I am not prepared to doubt that the rates were those agreed with the client. The fifth and sixth points of the tenant go to the absence of documentation and time records, but again I am not prepared to doubt the landlord's solicitor's veracity.
- 10. The tenant's points on the valuation fees are similar. Firstly, he says that Mr Churchouse's hourly rate is excessive and that a more junior employee should have been used. Again I disagree. It was wholly proper to employ a director and £325 per hour is a reasonable rate for a senior Central London surveyor.
- 11. Secondly, it said that there is no justification for exceeding the fixed fee. agree, but the landlord has not sought to charge more than the fixed fee of £1,000 plus VAT.
- 12. Thirdly the time for travel is said to be grossly excessive. In fact, however, the time spent (two hours) included the actual time at the premises. The Tribunal has some knowledge of travel times in London and finds nothing remotely surprising in the time spent by Mr Churchouse.
- 13. Fourthly the time spent on work on documentation is criticised. Again there is not, in my judgment, the beginnings of a claim that two hours for research and drafting is excessive. If anything, it is on the low side for the amount of work likely to be involved.
- 14. The fifth and six points relates to the absence of documentation and time records. Again I am not prepared to doubt that the time was spent as alleged.
- 15. No criticism was made of the solicitors' and the surveyors' disbursements.

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16.In the event, therefore, I disallow nothing in the costs claimed by the landlord.

DECISION

The Tribunal determines that the costs payable by the tenant to the landlord under section 60 of the Leasehold Reform, Housing and Urban Development Act 1993 is £2,291.25

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Chairman:

Adrian Jack

Date

27th May 2008