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**Residential  
Property**  
TRIBUNAL SERVICE

**RESIDENTIAL PROPERTY TRIBUNAL SERVICE  
DECISION OF THE LEASEHOLD VALUATION TRIBUNAL  
LEASEHOLD REFORM HOUSING AND URBAN DEVELOPMENT ACT 1993**

**Ref: LON/00BD/0C9/2008/0016**

**Property:** Flat 4, 45A Castlenau, Barnes, London SW13 9RT

**Applicant:** Robert James Cameron

**Respondents:** (1) Ezra Meir Hakkak  
(2) Eileen Rachel Hakkak

**Date of Determination:** 23rd April 2008

**Members of Tribunal:** Mr S Shaw LLB (Hons) MCI Arb  
Mr R Humphrys FRICS

## DECISION

1. This case involves an application for the grant of a new lease, pursuant to the provisions of the Leasehold Reform Housing and Urban Development Act 1993 ("The Act"). Happily, the terms of the lease and acquisition have all been agreed, save that the parties have not been able to agree terms in respect of costs. The Tribunal has therefore been requested by the Applicant to determine those costs, pursuant to the jurisdiction vested in it under section 91(1)(d) of the Act.
  
2. The Respondents' solicitors have submitted a bill of costs on this transaction, to be paid by the Applicant in a sum totalling £3,152.00 including VAT and Disbursements. That sum is challenged on behalf of the Applicant. Pursuant to Directions, the Respondent has submitted a detailed bill of costs, and the Applicant has supplied the Tribunal with written comments on each item, and a more generalised comment in a letter dated 28th March 2008. It is suggested by the Applicant that the appropriate sum to be allowed should be £1071.01, inclusive of VAT and disbursements.
  
3. The issue of the allowable costs is governed by section 60 of the Act. This restricts the costs recoverable to those incurred in pursuance of the section 42 notice, and specifically those reasonable costs of and incidental to investigation of the right to a new lease, any valuation obtained for the purposes of fixing the premium or any other amount to be paid under section 13, and the grant of the new lease under section 56.
  
4. The challenges made on behalf of the Applicant are in general terms on the basis that there has been duplication of costs by engaging three separate fee earners (involving excessive internal communications which have been charged for). Further it has been said that time has been spent, and charged for, for "researching" the relevant law, when this should have been familiar to the persons concerned. In addition, it

is suggested that costs incurred in negotiating the claim are not recoverable under the Act, and that excessive time has been charged for in drafting the new lease, when, save for 2 minor amendments, it was on the terms of the old lease.

5. In general terms, the Tribunal agrees with most of these challenges in principle (although it is possible that there may be some argument that part of the negotiation was in respect of the drafting of the terms of the new lease, rather than "the claim"). The sum claimed does seem high in the Tribunal's experience, for a relatively straightforward transaction. The Tribunal is not a specialist costs or taxing Tribunal, but doing the best we can we have scrutinised the costs schedule supplied, together with the comments made by the Applicant. We agree that there has been some excessive internal communication charged for and that certain time for research of law and drafting of the new lease also seems unduly high. We make no criticism of the charging rates, but consider, taking these matters into account that the reasonable costs to be charged and recoverable within the terms of the Act for this particular transaction, would be in the order of £1500 + VAT and including disbursements, totalling £1762.50. We have reached this figure by reducing mainly the costs claimed for internal communications and perusing incoming letters, and the time expended on research of the law and drafting the new lease.
6. The sum therefore allowed by the Tribunal for costs under the Act is £1762.50 inclusive of VAT and disbursements.

Legal Chairman: S.Shaw LLB (Hons) MCI Arb



Dated: 23rd April 2008