



LEASEHOLD VALUATION TRIBUNAL

Property : 91 Cornflower Drive, Chelmsford
Essex CM1 6XZ

Applicant : Paul Richardson

Respondents : (1) Ground Rents (Regis) Limited
(2) Stoneham Flat Management
Company Limited

Date of Application : 5th March 2012

Type of Application : To determine the terms of acquisition
relating to a Lease extension including
terms of the new Lease, the premium
and costs

The Tribunal : Mr D.T. Robertson (Lawyer/Chair)
Ms E. Flint DMS FRICS IRRV

Date and place of
Hearing : 9th August 2012 at Unit C4 Quern House
Mill Court, Great Shelford, CB22 5LD

DECISION

1. The Tribunal upholds the claim of the solicitors for the First Respondent for costs of £1,320.00 plus disbursements of £45.82. Both these sums being exclusive of VAT.
2. The Tribunal dismisses the claims made by the solicitors for the Applicant for costs in the sum of £500.00 under Schedule 12 of the Commonhold and Leasehold Reform Act 2002.

REASONS

3. The Application in this case is for determination of the terms of acquisition for a lease extension. The Application refers to the terms of the

new Lease, the premium and the costs payable under Section 60 of the Leasehold Reform Housing and Urban Development Act 1993.

4. Directions were given on the 19th March 2012 and the first three of these concerned costs and were:-

(1) *The Respondent must by 4pm on 5th April 2012 serve on the Applicant a Statement of costs claimed setting out:*

- (a) *The qualification and experience of the fee earner,*
- (b) *A breakdown of the number of hours spent or estimated to be spent*
- (c) *Details of letters sent, telephone calls and those anticipated and*
- (d) *Details of disbursements to include similar facts as in (a) and (b) above in respect of any valuers fees claimed.*

(2) *The Applicant must by 4pm on 20th April 2012 serve on the Respondent a schedule of any objection to the costs and disbursements claimed in the form recommended by the Civil Procedure Rules to allow for any replies to be endorsed by the Respondent.*

(3) *The Respondent must by 4pm on 27th April 2012 serve on the Applicant a reply to the objections endorsed on the objections form.*

5. A Hearing Date of the 14th July 2012 was fixed and notified to the parties. The parties confirmed prior to the Hearing Date that the premium and the valuers fee had been agreed.

6. As bundles did not arrive at the Tribunal office in accordance with Directions a Tribunal consisting of Bruce Edgington and Stephen Moll then considered on the 14th June 2012 whether the Application should be dismissed. Their decision allowed for an adjournment of the Application the outstanding issues at that stage being the form of the Deed of Surrender and new Lease and also the assessment of the First Respondent's legal costs and disbursements.

7. The case was then transferred to the present Tribunal who are now assured that the form of the Deed of Surrender and new Lease has been agreed. If this is not the case then a fresh application will need to be made in that respect.

8. This Tribunal therefore considers the assessment of First Respondent's legal costs and disbursements by way of written representations at the request of both parties who do not wish an oral hearing.

9. The Applicant's solicitors in two letters the first dated the 4th July 2012 and the second dated the 19th July 2012 apply for costs of £500.00 under Schedule 12 of the Commonhold and Leasehold Reform Act 2002,

10. This Tribunal notes that paragraph 13 of the Decision and Reasons given by the previous Tribunal that considered this case on the 14th July 2012 noted that according to correspondence it seems that the Applicant failed to comply with any of the Directions on time or at all. They go on to say that the

Applicant or at least his solicitors has acted entirely unreasonably in connection with these proceedings by failing to comply with Directions Orders.

11. Tolhurst Fisher the solicitors for the First Respondents in an e-mail dated the 12th June 2012 to Pro-Leagle the solicitors for the Applicant states that to receive a response to their schedule of costs which is summarised within the Applicants statement of case as at the 11th June is unacceptable. Tolhurst Fisher have not had the opportunity to provide a reply to such objections in accordance with Direction 3 and therefore Pro-Leagle's response to the Schedule of Costs should be disregarded by the Tribunal. Pro-Leagle's response to their Schedule should have been served on them by the 20th April with a reply being provided by the 27th April.

12. The Tribunal accept this argument. Tolhurst Fisher dealt fully with paragraph 1 of the Directions by the 30th March 2012. The Applicant's solicitors who are familiar with this type of case and its directions failed to comply with the second direction by the 20th April. They were out of time and did not provide a schedule of any objections in the format requested by the Tribunal. Pro-Leagle are in default and the Tribunal is not prepared to consider their written representation on costs and disbursements. The Tribunal therefore uphold the claim for costs and disbursements by Tolhurst Fisher.

13. The Tribunal then considered the two requests for costs of £500.00 made by Pro-Leagle under Section 12 of the Commonhold and Leasehold Reform Act 2002. The Tribunal do not consider that Tolhurst Fisher have behaved unreasonably and frivolously and dismiss these applications.

14. With regard to Section 60 costs application the Tribunal before reaching their decision did in fact review all of the written representations and came to the conclusion that even if they did take into account all of the points being made by Pro-Leagle there would be no or little reduction in the fees and disbursements to which Tolhurst Fisher are entitled. These firms of solicitors have been given substantial guidance that would normally provide for a settlement. They do not wish for an oral hearing which would allow evidence to be tested. The Tribunal continue to have a concern about the amount of public money that is being expended because these firms of solicitors continue to be at loggerheads.

D.T. ROBERTSON

Chair

17 th August 2012