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LONDON RENT ASSESSMENT PANEL



**DECISION OF THE LEASEHOLD VALUATION TRIBUNAL  
LEASEHOLD REFORM, HOUSING AND URBAN DEVELOPMENT ACT  
1993 (SECTIONS 91 & 60(1))**

**Case Reference:** LON/00AC/OC9/2012/0019

**Premises:** 12 Cardrew Court, Friern Park, London N12 9LB

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**Applicant (freeholder):** Cardrew Court Limited

**Respondent (leaseholder):** Mr Adrian Proctor

**Leasehold Valuation Tribunal:** Ms F Dickie, Barrister, Chairman  
Mr J Avery, FRICS

**Date of Determination:** 5 April 2012

**PRELIMINARY**

- 1 This application is for a determination of costs payable by the Respondent under section 60(1) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act"). The costs sought are £2,207.00 including VAT, comprising:
  - a. Valuer's fees £990.00 including VAT
  - b. Solicitor's costs £1217.00 including VAT
- 2 The tribunal issued directions for this matter to be determined on the papers unless a hearing was requested. No such request having been received, the tribunal has proceeded to determine this application without an oral hearing.
- 3 The tribunal has received a statement of case and accompanying documents from the Applicant. The Applicant has confirmed these have been served on the Respondent both at the subject premises and also at 23 King Street, Cambridge, CB1 1LH, where the Applicant understands he may reside. There has been no response to this application from the Respondent.

## EVIDENCE

- 4 From the evidence of the Applicant the tribunal ascertains the following facts:
- 5 The Applicant who is the lessee of 12 Cardrew Court, Friern Park, London N12 9LB ("the property") served on the Respondent freeholder a Notice of Claim to Exercise his Right pursuant to section 42 of the Act. The Notice required the Respondent to serve counter notice by 20 May 2011. The Respondent sought a statutory extension of the Lease for a premium of £5,000. On 12 May 2011 the Applicant requested payment of a deposit from the Respondent, and received £500 accordingly.
- 6 In accordance with section 44 of the Act the Applicant sought access in order to permit the Applicant's valuer to carry out a valuation. The Respondent failed to give access and so on 17 May 2011 the parties agreed an extension of time to the deadline by which the Respondent must serve the counter notice.
- 7 The valuer eventually gained access and on 19 May 2011 the Applicant served the counter notice admitting the right to acquire a new lease but making a counter-proposal as to the premium of £25,400. However, the Respondent then failed to make either an application to the tribunal or to the court pursuant to section 48 of the Act. The Respondent's Notice was therefore deemed withdrawn pursuant to section 53 of the Act.
- 8 A copy of the Applicant's valuer's invoice and a schedule of costs and invoice of the Applicant's solicitor have been provided to the tribunal. The Respondent has been requested by the Applicant to make payment of these costs but has failed to do so.

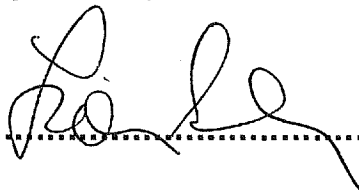
## TRIBUNAL'S DETERMINATION

- 9 Section 60(1)(b) of the Act provides that where a tenant's notice to exercise the right to a new lease is served under section 42 of the Act, the tenant is liable "for the reasonable costs of and 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 amount payable by virtue of Schedule 13 in connection with the grant of a new lease under section 56
  - (c) the grant of a new lease under that section;...."
- 10 Section 60(3) provides "Where by virtue of any provision of this Chapter the tenant's notice ceases to have effect, or is deemed to have

been withdrawn, at any time, then (subject to subsection (4)) the tenant's liability under this section for costs incurred by any person shall be a liability for costs incurred by him down to that time."

- 11 The bill of costs shows a charging rate for the partner with conduct of this case at £200 per hour, and five chargeable hours of work. A breakdown of records 19 items of £460 on 19 letters and telephone calls, and £540 on attendance on documents, including the counter notice and new lease. The narrative states that work included "perusing the tenant's notice of claim, liaising with the solicitors and your valuer, drafting and service of your counter notice, drafting new lease. Disbursements of £14 for Land Registry Documents and £3 for Companies House documents were incurred.
- 12 Whilst it may not have been necessary for a partner to carry out every aspect of the work, his charging rate at £200 is very reasonable and overall represents good value for money for the service provided. The firm is in Brighton, and a partner in a London firm would almost certainly have been more expensive. The landlord is entitled to instruct solicitors of its own choice. The charge out rates applied would appear to be within an acceptable band, and whilst this was not an unduly complex transaction, it is accepted that there were certain issues that required resolution. The tribunal notes that there were access difficulties and the extension of time agreed for service of the counter notice. It is satisfied that the time expended is reasonable in the circumstances and that the cost for the work described is recoverable under section 60.
- 13 In the absence of any objection to these costs by the Respondent, and with regard to the Applicant's evidence and the terms of section 60, the tribunal is satisfied that all of the costs in question are reasonable and payable by the Respondent.

CHAIRMAN.....



DATE 5 April 2012