



Case reference: LON/00BK/OC9/2012/0068

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION UNDER SECTION 91(2)(d) OF THE LEASEHOLD REFORM, HOUSING AND URBAN DEVELOPMENT ACT 1993 TO DETERMINE THE LANDLORDS' RECOVERABLE COSTS (section 33)

Property:

54 - 84 Wellington Court, Wellington Road, London

NW8 9TD

Applicants:

Standard Securities Limited and Monopro Limited

Respondent:

Wellington Court Freehold Limited

Date of decision:

2 October 2012

<u>Determination without an oral hearing in accordance with regulation 13</u> of the Leasehold Valuation Tribunals (Procedure) (England) Regulations <u>2003</u>

Tribunal:

Margaret Wilson

- 1. This is an application under section 91(2)(d) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") to determine the landlords' recoverable costs incurred in connection with a notice of claim under section 13 of the Act to exercise the right to collective enfranchisement. The first-named applicant is the headlessee of the premises and the second-named applicant is the intermediate leasehold owner of two of the flats within the premises. The respondent is the nominee purchaser.
- 2. On or about 15 June 2011 the participating qualifying tenants of the flats in the premises served an initial notice under section 13 of the Act. A counter-notice was served denying the entitlement to acquire the freehold, and the nominee purchaser commenced but discontinued a claim in the county court for a declaration that it was entitled to acquire the freehold. No application was made to the tribunal within the time allowed by section 22 of the Act and the claim is deemed to have been withdrawn by virtue of section 29. In those circumstances the nominee purchaser is liable for the costs falling within section 33 of the Act which have been incurred by the relevant landlords in consequence of the initial notice down to the date of the deemed withdrawal. By virtue of section 9(2A)(b) of the present applicants appear to be relevant landlords within the meaning of the Act.
- 3. The present applicants having applied for a determination of their recoverable costs, directions were made on 16 August 2012 which included requirements that the present applicants should provide a detailed statement of costs and other documents by 30 August 2012 to which the tenant (presumably intended as a reference to the nominee purchaser) should respond by 13 September 2012. The applicants duly served a statement of costs but the respondents, who are represented by solicitors, have not responded. None of the parties has requested an oral hearing and accordingly this decision is made on the basis of the papers alone in accordance with the procedure set out in regulation 13 of the Leasehold Valuation Tribunals (Procedure) (England) Regulations 2003.

- 4. The costs for which the nominee purchaser is liable are those set out in section 33 of the Act the provisions of which include:
- (1) Where a notice is given under section 13, then (subject to the provisions of this section and sections 28(6) ... the nominee purchaser shall be liable, to the extent that they have been incurred in pursuance of the notice by the reversioner or by any other relevant landlord, for the reasonable costs of and incidental to any of the following matters, namely -
 - (a) any investigation reasonably undertaken -
 - (i) of the question whether any interest in the specified premises or other property is liable to acquisition in pursuance of the initial notice, or
 - (ii) of any other question arising out of that notice;
 - (b) deducing, evidencing and verifying the title to any such interest;
 - (c) making out and furnishing such abstracts and copies as the nominee purchaser may require;
 - (d) any valuation of any interest in the specified premises or other property;
 - (e) any conveyance of any such interest.
- 5. The applicants' statement of costs includes a schedule of hourly rates which I consider to be reasonable for specialised work of this kind carried out by a central London firm. The statement includes a schedule of time spent, producing a total of £5853 plus VAT, a total of £7023.60, which appears reasonable for what was clearly a complex case. The valuer's fee of £1200 including VAT also appears reasonable. All the costs listed appear to fall within section 33.

6. In those circumstances, and given that the respondent has not challenged the sums claimed, I determine them to be reasonable. Accordingly the nominee purchaser is liable by virtue of section 29 of the Act to pay the total sum of £8223.60 to the applicants.

CHAIRMAN.

DATE: 2 October 2012