

FIRST - TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference : LON/00BH/OC9/020/0142

Property: 78 Mandeville Court, London, E4 8JD

Applicant : **Sinclair Gardens Investments**

(Kensington) Ltd

Representative : PDC Law

Respondent : Chiaka Okoye

Type of Application : Application under the Leasehold

Reform, Housing & Urban Development Act 1993 to determine the costs payable

Act 1993 to determine the costs payar

under section 60 of the Act.

Tribunal Member : Mrs A J Rawlence MRICS

Date of Decision : 10 February 2021

DECISION

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Decision

1. The Tribunal determines a figure of £925.00 for legal fees and £787.50 for the valuation report plus disbursements plus VAT if applicable.

Introduction

- 2. By Application dated 22 September 2020, the Applicant applied to the First-tier Tribunal, Property Chamber for the determination, under section 60 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act"), of the reasonable legal and valuation costs.
- 3. The Applicant is the freeholder of 78 Mandeville Court, London, E4 8JD ("the Property").
- 4. On or around 16 February 2018, Chiaka Okoye made an application for the grant of a new lease by way of a Notice of Claim.
- 5. A Counter-Notice was served on or around 11 April 2018 addressed to the Lessee and sent to her solicitors Grayfields.
- 6. As six months had passed, the Respondent's Notice of Claim was deemed withdrawn on 4 December 2018.
- 7. A further approach to Grayfields solicitors was made on 8 September 2020 and no response was received.
- 8. The Tribunal issued directions on 4 December 2020. These Directions allocated the matter to be a paper determination unless either side requested a hearing. There was no such request and, accordingly, this matter has been considered on the basis of the submissions provided.

The Law

9. The relevant law is set out below:

Leasehold Reform Housing and Urban Development Act 1993 Costs incurred in connection with new lease Section 60

Costs incurred in connection with new lease to be paid by tenant.

- (1) Where a notice is given under section 42, then (subject to the provisions of this section) the tenant by whom it is given shall be liable, to the extent that they have been incurred by any relevant person in pursuance of the notice, 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;
 - but this subsection shall not apply to any costs if on a sale made voluntarily a stipulation that they were to be borne by the purchaser would be void.
- (2) For the purposes of subsection (1) any costs incurred by a relevant person in respect of professional services rendered by any person shall only be regarded as reasonable if and to the extent that costs in respect of such services might reasonably be expected to have been incurred by him if the circumstances had been such that he was personally liable for all such costs.
- 5) A tenant shall not be liable under this section for any costs which a party to any proceedings under this Chapter before a leasehold valuation tribunal incurs in connection with the proceedings. In this case there were no such proceedings.

The Applicant's Submissions

- 10. Although no statement of case was provided it was clear that the legal and valuation fees had not been agreed or paid by the Respondent and accordingly the Applicant had made a costs application to the Tribunal.
- 11. The costs of the works carried out in respect of the Notice of Claim were £925 plus VAT in connection with legal costs (plus postage £5.38 plus Vat) and £787.50 plus VAT for valuer's fees.
- 12. A detailed statement of legal costs was supplied and was to be found at page 25 of the bundle. (Exhibit H)
- 13. The Applicant's solicitors charged legal fees at a charge out rate of £250.00 per hour for a Grade A solicitor.
- 14. A detailed statement of valuation fees was supplied and was to be found at page 23 of the bundle. (Exhibit G). The valuation was carried out in April 2018 and a copy was in the bundle.

The Respondent's submissions

15. There were no submissions from the Respondent. The Tribunal contacted the Applicant on 4 February 20212 who confirmed they had no e-mail address for the Respondent. They also stated that the Respondent had made no contact.

The Tribunal's Deliberations

- 16. The Tribunal considered the written evidence submitted by the Applicants. In particular it notes the invoice from PDC law at page 27 of the bundle for £875.00 to which had been added £50 by the Respondent for serving the counter notice see page 25.
- 17. The Tribunal accepts the time taken as set out in the schedule on page 25.
- 18. The Tribunal considered the valuer's fees and do not find these excessive.
- 19. The Tribunal determines a figure of £925.00 for legal fees and £787.50 for the valuation report plus VAT.

Appeal Provisions

- 20. A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making a written application to the First-tier Tribunal at the Regional Office which has been dealing with the case which application must:
 - a. be received by the said office within 28 days after the Tribunal sends to the person making the application written reasons for the decision.
 - b. identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.
- 21. If the application is not received within the 28-day time limit, it must include a request for an extension of time and the reasons for it not complying with the 28-day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal.

Anthea J Rawlence Chair