

4436



**FIRST-TIER TRIBUNAL  
PROPERTY CHAMBER  
(RESIDENTIAL PROPERTY)**

**Case Reference** : **RC/LON/00AH/OC9/2016/0498**

**Property** : **47 St James Court, St. James Road,  
Croydon, Surrey CRO 2SF**

**Applicant** : **Brickfield Properties Limited**

**Representative** : **Wallace LLP**

**Respondent** : **Serenville Limited**

**Representative** : **Leasehold Law Solicitors**

**Type of Application** : **Costs**

**Tribunal Members** : **Judge LM Tagliavini  
Mrs Sarah Redmond MRICS**

**Date and venue of  
hearing** : **10 Alfred Place, London WC1E 7LR  
15 February 2017**

**Date of Decision** : **15 February 2017**

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**DECISION**

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### **The tribunal determines:**

1. The tribunal determines that the sum of £3,710.40 (including VAT) is payable by the Respondent tenant to the Applicant landlord pursuant to sections 60 and 91 of the Leasehold Reform, Housing and Urban Development Act 1933 (“the Act”).

### **The application**

2. This is an application made pursuant to sections 60 and 91 of the Act for costs payable in respect of withdrawn proceedings served pursuant to section 42 of the Act. The tribunal is now asked to determine the reasonable costs payable in respect of that withdrawn transaction.
3. The landlord claims the sum of £3,710.40\* (including VAT) with £845.00 representing the valuer’s costs included in that sum. The tenant asserts that the reasonable costs are £1,596.60 (including VAT) of which £583.00 should represent the valuer’s reasonable costs.

*\*The tribunal adopts the figure provided on the Applicant’s initial Schedule of Costs at pages 44 and 45 of the bundle.*

4. Neither party requested an oral hearing and the matter was determined by the tribunal on the documents provided and contained in a lever arch file.

### **The landlord’s case**

5. The Applicant landlord relied upon a witness statement and exhibits dated 27 January 2017. It was submitted by the Applicant that this was not a straightforward claim for a new lease as there had been two assignments, which necessitated additional work. In addition an intermediate landlord was involved and this too added further work and costs. The Applicant provided the tribunal with a detailed Schedule of costs including the date and type of work done, a description of the work, the fee earner, the time spent and hourly rate, the amount claimed and the disbursements made.
6. The Applicant asserted that the solicitors used had for many years been dealing with the Applicant’s legal matters and the rates charged are consistent with the usual rates for Central London solicitors. In addition the Applicant referred the tribunal to and provided copies of a number of previous tribunal decisions on costs where the Applicant’s solicitors costs had been approved. Similarly it was submitted that the valuer’s fees are within the range of what is considered reasonable i.e. £850 - £1,500 plus VAT.

### **The tenant's case**

7. In a witness statement dated 17 January 2017, the Respondent tenant asserted that the legislation requires the costs to be both reasonably incurred and reasonable in amount and not more than a party is actually obliged to pay his advisors. The Respondent asserted that costs incurred in respect of negotiations are not recoverable, that the level of fee earner was unreasonable as are the hourly rates charged. The Respondent took issue with the use of Central London solicitors for a property located outside PCL as well as challenging the complexity of the matter and asserted that the familiarity of the solicitors with the Applicant's legal dealings should be able to avoid repetition and asserted that despite the multiplicity of parties the transaction was not complex. In addition the Respondent set out its itemised objections to the Applicant's costs by way of answers to the costs schedule.

### **The tribunal's decision and reasons**

8. In reaching its decision the tribunal had regard to the criteria and requirements set out in section 60(1)(a)(b) and (c) of the 1993 Act. The tribunal determines that the use of long-time and trusted legal advisers is not unreasonable despite their location in Central London. The tribunal also accepts that the hourly rate of such solicitors is higher than outside of Prime Central London but finds that the hourly rates charged are within the range of what is considered reasonable. Similarly, the tribunal finds that the allocation of work between various grades of fee earners to be appropriate and finds that this proposed transaction was not without a number of complexities necessitating more time to be spent than might be usual.
8. The tribunal finds that the valuer's fees are reasonable and within the expected range of fees for this sort of valuation. Further, the tribunal finds the use of a courier in the circumstances to be reasonable and appropriate.
9. Therefore the tribunal finds the sum of £3,710.40 (including VAT) and disbursements is payable to the Applicant landlord pursuant to sections 60 and 91 of the 1993 Act.

Signed: Judge LM Tagliavini

Dated: 15 February 2017