



LEASEHOLD VALUATION TRIBUNAL

**LEASEHOLD REFORM HOUSING AND URBAN DEVELOPMENT ACT
1993, SECTION 60**

LON/OOAH/OLR/2008/0071

Address: FLAT 2, 75 CROHAM ROAD, CR2 7HG

Applicant: Mr Adam Foster

Respondent: Ms Helena Jozefa Platt

Date of decision: 9 June 2009

Appearances: None, case decided on the papers

Tribunal: Mr M Martynski (Solicitor)
Mr R Potter FRICS

DECISION

Summary

1. The Tribunal determines that the costs payable by the Applicant in this matter are as follows;
Costs of Belvederes solicitors: £4,000.00 plus VAT with uncontested disbursements

The application

2. An application was made by the Applicant for a determination of the professional costs payable in respect of a claim for a new lease made by the Applicant pursuant to section 42 Leasehold Reform, Housing and Urban Development Act 1993 (“the Act”).

Background

3. A notice under section 42 of the Act dated June 2007 was served by the Applicant on the Respondent.

4. There then followed a great deal of dispute and discussion between the parties concerning the details of the lease and the extent of land to be included in the lease. Some of these disputes had to be resolved with recourse to a hearing before a Leasehold Valuation Tribunal in July of 2008. It is clear from the papers submitted by the parties that there was considerable animosity between them. The lease was finalised in or about early 2009.

5. The Respondent’s solicitors claim profit costs of £7,364.59 (excl. VAT) reduced to £5,000 plus VAT.

6. The Applicant objected to these costs and submitted that reasonable costs would be £755.41 excluding disbursements and VAT. He submitted that the only costs claimable by the Respondent were the costs of conveyancing in connection with the grant of the new lease once the terms had been agreed.

7. The Tribunal’s view is that the costs payable by a tenant pursuant to section 60 of the Act extend to the landlord’s solicitor’s reasonable costs of drafting and agreeing the terms of the new lease, where, as in this case, there were ambiguities as to the terms and extent of the original lease. These costs go beyond what can be regarded as the strict costs of conveyancing.

8. In the Tribunal’s experience, a relatively straightforward transaction under section 60 would involve approximately 10 hours¹ fee earning time of a Grade A fee-earner.

9. The Respondent’s solicitor’s practice is in central London. In the Tribunal’s experience, the relevant fee for a Grade A fee-earner in a central London practice is in the region of £300.00 per hour.

10. Based on the above, total profit costs of £3,000 plus VAT would therefore have been regarded as reasonable. From the papers supplied, it is clear that this case was out of the ordinary run of cases and required additional time input. Having considered in depth the details of the disputes between the parties, the Tribunal finds it impossible to dissect the merits of all the issues between them. However the

¹ This includes all matters from receipt of the notice to completion including correspondence and telephones and excluding disbursements

Tribunal is satisfied that in the circumstances of this case the Respondent's costs are excessive and the amount offered by the Applicant clearly unreasonable.

11. The Tribunal considers that an addition of one-third to the sum of £3,000 should be allowed to reflect the additional work necessary in this case bringing the total allowable costs to £4,000.



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Mark Martynski – Tribunal Chairman

9 June 2009