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

Case Reference : LON/00AY/OC9/2015/0484

Property : 57, 57A and 59 Shrubbery Road,
London SW16 2AS

Applicant : Mr Jugal Kishore Luthra

Representative : United Estates Limited

Respondent : Tracey Jane May Palmer-Hall

Representative : McCarthy Denning Solicitors

Type of Application : Costs under s.91 Leasehold
Reform, Housing and Urban
Development Act 1993

Tribunal Judge : F Dickie

Date of Decision : 11 March 2016

DECISION

Decisions of the Tribunal

Costs are payable by the Respondent to the Applicant in the sum of £978.00.

The application

1. By an application made on 30 November 2015, the Applicant seeks a determination pursuant to section 91 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") as to the costs of enfranchisement payable under s.33(1) of the Act. The relevant legislation is attached.

2. The initial notice under section 13 of the Act was given on or around 29 January 2015. Solicitors for the Applicant, having taken counsel's advice, by a letter dated 17 February 2015 disputed the validity of the notice in incorrectly specified the date by which the reversioner must serve a counter-notice, and disputed also the particulars specified in the "schedule of lease back premises".
3. The Respondent's solicitors on 18 February 2015 conceded that the notice was invalid, but disputed their client's liability to pay costs and counsel's fees unnecessarily incurred.
4. Application having been made to the tribunal, directions were issued to the parties on 7 December 2015 which (since the Respondent's solicitors had moved offices) were reissued on 13 January 2016. Neither party having requested a hearing, I have proceeded to determine the matter on the papers. The Applicant has complied with the direction to file and serve its evidence, but the Respondent has not. I have therefore decided the matter based only on the unchallenged submissions of the Applicant.
5. The costs sought are:
 - i. Counsel's fee of £600 plus VAT
 - ii. Solicitor's fees £200 plus VAT
 - iii. Disbursements £18
6. I find that these costs are all recoverable under s.33. The Applicant had engaged the same solicitors for 27 years, and those solicitors reasonably wished for expert advice in this specialist area which was new to them. Those solicitors have limited their own fees to a very small amount which I am satisfied would not reflect the time that they actually spent on this matter. Counsel's fee is reasonable and the advice provided, set out in correspondence to the Respondent, secured an immediate concession that the notice was invalid.

Name: F Dickie

Date: 11 March 2016

Leasehold Reform, Housing and Urban Development Act 1993

33 Costs of enfranchisement.

(1) Where a notice is given under section 13, then (subject to the provisions of this section and sections 28(6), 29(7) and 31(5)) 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;
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 the reversioner or any other relevant landlord 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) The nominee purchaser 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.