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

**Case Reference** : **MRLON/00BE/OCE/2017/0036**

**Property** : **Flat N, 5 Transom Close, London  
SE16 7FH**

**Applicant** : **Mr. Victor Tejwani**

**Representative** : **N/A**

**Respondent** : **Chime Properties Limited**

**Representative** : **Maxwell Winward LLP**

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

**Tribunal Member** : **Judge LM Tagliavini  
Miss M Krisko FRICS**

**Date and venue of  
determination (paper)** : **10 Alfred Place, London WC1E 7LR  
5 April 2017**

**Date of Decision** : **5 April 2017**

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**DECISION**

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### **The tribunal's decision**

1. The tribunal determines that the sum of £1848.50 plus VAT at 20% is payable by the respondent in respect all legal and valuation costs incurred by the applicant.

### **The application**

2. The applicant seeks a determination under section 91(2)(d) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") as to the amount of costs payable pursuant to section 60 of the Act.

### **Background**

3. By a Notice of Claim dated 24 April 2015 the lessee sought to extend the lease of the subject property for which signed proof of delivery dated 27 April 2015 was obtained. Subsequently, it was agreed by the parties this Notice was invalid and a second Notice of Claim dated 27 January 2016 was sent to the respondent. Subsequently all matters pertaining to the lease extension were agreed by the parties save as to costs.
4. The applicant now seeks the costs relating to both the first and second Notices of Claim. In respect of the first Notice is £399 exclusive of VAT comprising 1.24 hours @ £285 per hour.
5. In relation to the second Notice the applicant seeks legal costs of £1562.75 and disbursements of £73.50 (all figures excluding VAT). The applicant also seeks £350 plus VAT for the costs of the valuation.
6. By a Response dated 14 March 2017 the applicant asserted that the total and revised sum of costs and fees (including valuation fees) for both Notices is £2,315.10 exclusive of VAT.
7. The respondent objects to these claims for costs on the grounds that they are to be subject to a test of reasonableness and asserts the protection afforded by section 51 of the Consumer Rights Act 2015 providing that only a reasonable price for the service received is payable. The respondent therefore asserts that only costs and fees in the total sum of £1,4750 is payable. This sum does not specify how this sum is reached or whether it includes or excludes VAT.

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

8. The tribunal is satisfied that the valuation fees of £350 plus Vat are reasonable and well within the range of fees that the tribunal would expect in these kinds of lease extensions and therefore allows these costs in full. Similarly, the disbursement fees in relation to land registry charges, postal charges, photocopying and engrossment in the sum of £73.50 plus VAT are reasonable and payable in full.

9. The tribunal finds that the hourly rate of £285 for a Grade A fee earner is reasonable and is within the expected range of fees charged. In respect of the first Notice the tribunal finds that 1 hour would be sufficient time in which, to recognise the obvious invalidity of this Notice and notify the tenant accordingly. Therefore the tribunal allows costs of £285 plus VAT in respect of these legal costs.
10. In respect of the second Notice the same hourly rate of £285 plus VAT is charged and is allowed by the tribunal. The time taken of 5.29 hours claimed by the applicant, is in the opinion of the tribunal, excessive for this straightforward and uncomplicated transaction. The tribunal notes the breakdown of the applicant's charges contained in the schedule provided and the large number of small costs incurred by way of numerous emails and telephone calls, which unreasonably add to the total time spent and are in the view of the tribunal, excessive.
11. Therefore the tribunal allows costs of £1140 plus Vat for the legal costs incurred in respect of the second Notice.
12. Therefore, in total the tribunal allows costs and fees in the sum of £1848.50 plus VAT.

**Name:** Judge LM Tagliavini

**Date:** 5 April 2017