



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

Case Reference : **LON/00AC/LCP/2019/0007**

Property : **105 Leicester Road, Barnet,
Hertfordshire, EN5 5EL**

Applicants : **105 Leicester Road Limited**

Representative : **Scott Cohen Solicitors**

Respondent : **105 Leicester Road RTM Company
Limited**

Type of Application : **To determined costs to be paid
under s.88(4) of the Commonhold
and Leasehold Reform Act 2002**

Tribunal Members : **Judge Dickie**

Venue : **10 Alfred Place, London WC1E 7LR**

Date of Decision : **23 September 2019**

DECISION

Summary of Decision

Solicitors' fees of £1,195.80 (inclusive of VAT) and disbursements of £6.50 plus VAT, and management fees of £250 plus VAT are payable by the RTM company to the Applicant under section 88(1).

The Respondent shall refund to the Applicant the Tribunal fee of £100.

The Law

Commonhold and Leasehold Reform Act 2002

S.88 Costs: general

- (1) A RTM company is liable for reasonable costs incurred by a person who is –
 - (a) landlord under a lease of the whole or any part of the premises,
....
in consequence of a claim notice given by the company in relation to the premises
- (2) Any costs incurred by such a person in respect of professional service rendered to him by another are to be regarded as reasonable only 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.
- (3) A RTM company is liable for any costs which such a person incurs as a party to proceedings under this Chapter before the appropriate tribunal only if the tribunal dismisses the application by the company for a determination that it is entitled to acquire the right to manage the premises.
- (4) Any question arising in relation to the amount of any costs payable by a RTM company shall, in default of agreement, be determined by the appropriate tribunal.

The Application

1. Application has been made under section 88(4) of the Commonhold and Leasehold Reform Act 2002 ("the Act") for a determination of the amount of costs payable by the Respondent RTM Company in consequence of the Claim Notice given by it to the Applicant landlord. Directions were issued by the Tribunal on 5 July 2019 for the determination of this application without a hearing. Neither party has requested an oral hearing and I have determined this matter on the papers.
2. The Right to Manage Claim Notice was served by the Respondent in these proceedings on 26 September 2018. On 31 October 2018 a Counter Notice pursuant to the Act was served by the Applicant. Thereafter an application was made to the First-tier Tribunal under section 84(3), following which the RTM was acquired after a determination of the Tribunal dated 26 March 2019.

3. There has been no agreement as to the statutory costs payable by the Respondent to the Applicant. The Applicant's costs claimed in relation to the Claim Notice are:
 - Solicitors' fees of £1,195,80 (inclusive of VAT) for time spent of 3 hours and 36 minutes at the rate of £275 per hour and includes disbursements of £6.50 plus VAT (postage) and
 - Management fees charged by the agent of £250 plus VAT.
4. I have before me the Applicant's statement of case, reply and supporting documents. The Respondent has failed to comply with the direction of the Tribunal that it must file and serve its statement of case in response to this application by 16 August 2019. Indeed, there has been no response by the Respondent to the Tribunal in respect of this application at all. I am satisfied that the application and the Tribunal's directions were correctly served on the Respondent at the address specified on the Claim Notice (being the address for service on the previous application made to the Tribunal).
5. I find that the Respondent is liable to pay to the Applicant reasonable costs in consequence of the Claim Notice pursuant to section 88(1). The test for reasonableness of any costs of professional services, as defined in section 88(2), is whether it may reasonably be expected that the landlord would incur the costs if personally liable for all of them.
6. A copy invoice and a breakdown of the solicitors' fees have been produced to me. Having regard to the breakdown of activity carried out and the evidence before me of that activity, I accept these unchallenged costs as reasonable and payable. I accept that these were solicitors retained in respect of various matters by the Applicant and these are fees the Applicant would normally pay. The solicitor's hourly rate at £275 per hour (Grade A in) is in my view not outside of the reasonable range for a specialist of that level.
7. In respect of the fees of the managing agent, Y&Y, I have been provided with a copy of the managing agent's agreement. I am satisfied that these charges are professional fees which were incurred by the Applicant for additional non-standard management tasks by the managing agent. I accept the position of the Applicant that these include liaison between the Applicant and the Applicant's solicitor and the provision of assistance and information to all parties throughout the progress of claim, taking the necessary steps to coordinate the management response to the notice, and to advise the landlord on the impact upon services and anticipated repairs and funding. I find these charges are reasonable and recoverable by the Applicant from the Respondent.
8. I have considered the costs claimed and I find no reason to interfere with them and I allow them in full. Given the outcome of the proceedings, and that the Respondent has not participated or responded to correspondence

from the Applicant's solicitors seeking agreement as to costs, I make the order sought pursuant to Rule 13(2) of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 that the Respondent must also refund the application fee to the Applicant.

9. Payment to be made within 28 days.

Name: F. DICKIE

Date: 23 September 2019

Rights of appeal

By rule 36(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, the tribunal is required to notify the parties about any right of appeal they may have.

If a party wishes to appeal this decision to the Upper Tribunal (Lands Chamber), then a written application for permission must be made to the First-tier Tribunal at the regional office which has been dealing with the case.

The application for permission to appeal must arrive at the regional office within 28 days after the tribunal sends written reasons for the decision to the person making the application.

If the application is not made within the 28-day time limit, such application must include a request for an extension of time and the reason for not complying with the 28-day time limit; the tribunal will then look at such reason(s) and decide whether to allow the application for permission to appeal to proceed, despite not being within the time limit.

The application for permission to appeal must identify the decision of the tribunal to which it relates (i.e. give the date, the property and the case number), state the grounds of appeal and state the result the party making the application is seeking.

If the tribunal refuses to grant permission to appeal, a further application for permission may be made to the Upper Tribunal (Lands Chamber).