



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

Case reference : **LON/00AY/LCP/2022/0005**

Property : **15 Greyhound Lane, London SW16 5NP**

Applicant : **Assethold Limited**

Representative : **Scott Cohen Solicitors**

Respondent : **15 Greyhound Lane RTM Company Limited**

Representative : **Leasehold Advice Centre**

Type of application : **Costs in relation to the Right to Manage**

Tribunal member(s) : **Judge S Brilliant**

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

Date of Decision : **22 July 2022**

DECISION

The decision is that the company is to pay the landlord costs of £1,637.04.

1. This is an application by the landlord to recover its reasonable costs against the RTM company (“the company”) subsequent to a successful RTM application. The position is governed by s.88 Commonhold and Leasehold Reform Act 2002. Following the directions which were given, the parties each provided a statement of case. With the agreement of the parties, the matter has been decided on paper.

2. The landlord is entitled to its reasonable costs. Any costs incurred by the landlord in respect of professional services 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 they were personally liable for all such costs.

3. The parties having failed to reach agreement on the amount of costs payable, the matter has come before me for determination.

4. The costs claimed by the landlord are as follows:

Letters out to the landlord	0.80 x £275.00	£220.00
Letters out to the company	0.70 x £275.00	£192.50
<i>Documents:</i>		
Assessment of claim notice	0.50 x £275.00	£137.50
Assessment of supporting RTM documents	1.20 x £275.00	£330.00
Preparation of counter notice	0.50 x £275.00	£137.50
Disbursements		£6.70
Managing agents' fees		£750.00
VAT		£354.84
Total		£2,129.04

5. The company challenges the managing agents' fees, why the number of attendances upon the client were required and the time spent on initial instructions and advice, reviewing documents, assessing the claim notice and reviewing supporting RTM documents.

6. As far as the solicitors' costs are concerned, the work was carried out by Ms Lorraine Scott, a grade A solicitor with substantial experience in RTM work. In my judgment, it was appropriate for someone so experienced to carry out this work and I find her hourly rate reasonable.

7. In my view, the amount of time spent on each of the above items properly identified was also reasonable. However, I will not allow 0.60 hours for "other" non-identified work on documents. The solicitors' costs therefore are reduced to £907.50.

8. My decision is supported by paragraph 10 of Albacourt Properties Ltd v W.Court Joint Enterprise Dwelling Initiative Co Ltd. The reference of this case is MAN/00BU/LCP/2019/0001.

9. As far as the managing agents' costs are concerned, I was referred to a number of decisions involving the landlord itself. I am going to take as a comparator the approach adopted in another decision involving the landlord, namely Assethold Ltd v 96 Tollington Way (London) RTM Company Limited. The reference is LON/00AU/LCP/2018/0007.

10. The decision includes the following:

19. The tribunal accept that a management fee may be recovered as a professional fee in the context of a right to manage application. It also accepts that the managing agents will have undertaken work that was non-standard management activities for which additional fees were charged. The respondent has challenged whether the managing agents

unnecessarily duplicated work. The tribunal accepts that the description of the work they undertook as set out in the invoice may create that impression but are satisfied as to the applicant's explanation of what the managing agents did was not such a duplication.

20. The previous decision in Assethold Limited v Kingswood Lodge RTM Cornway Limited LON/ 00AR/LCP/2015/001 does not make the sum of £350 a reasonable sum of itself but the tribunal consider that the reduction requested by the respondent is also unsubstantiated. In the circumstances it has based its decision (that £350 may be recovered for additional management costs) on the inclusion of the provision in Appendix 3 of the management agreement which the applicant has with Eagerstates; on the basis that if this sum had not been recoverable from the RTM Company it would have been payable by the applicant under the terms of the agreement; and thus is a cost that it would have expected to meet if it had been personally liable for it.

11. Judged against this decision, £750.00 does seem on the high side. Also the invoice of the managing agents does give me some concerns. I cannot see why it should take an hour to tell the freeholder and the solicitor that the RTM notice had been served. Nor do I understand why it would take 45 minutes to consult and meet the freeholder to advise the ramifications of RTM, the freeholder and its solicitors being so experienced in this field.

12. I will allow £450.00 plus VAT for the managing agents' fees.

13. The total is £1,637.04 including VAT.

Name: Judge Brilliant:

Date: 22 July 2021

Rights of appeal

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).