

IN THE MATTER OF THE LEASEHOLD REFORM HOUSING AND URBAN
DEVELOPMENT ACT 1993 (AS AMENDED)

IN THE MATTER of the property known as 2 Edinburgh House,
Crossways Road, Grayshott, Hampshire, GU26 6HQ

BETWEEN :

Adrian Gerard Gannon

Applicant

and

Shaheen Pervez Zaman and Shahab-Uz-Zaman

Respondent

**THE SCHEDULE
(reproducing the
Parties' Statement of
Costs, with the
Tribunal's Comments)**

Legal Fees:

Description of Fee Earners:

A: Name: Natalie Turner Status: Consultant Solicitor Hourly Rate: £295.00

Experience: Specialist lease extension and collective enfranchisement solicitor with 12 years' post qualification experience in lease extension and collective enfranchisement work.

Applicant's Comments:-

It is accepted that this fee earner has at least 12 years post qualification experience in the specialist field of leasehold enfranchisement but the hourly rate is excessive and an alternative rate of £250.00 per hour is suggested.

Respondent's Comments:

The area of collective enfranchisement and lease extension is a specialist area in which care is required. This matter was further complicated by the fact that there are ongoing injunctive proceedings between the parties due to alleged breaches of the lease by the leaseholder. The matter was not therefore a

straightforward lease extension application and this required an experienced solicitor.

We disagree that £295 per hour is excessive. The Tribunal has frequently awarded higher hourly rates – e.g. JM/LON/OOBA/OC9/2022/0106 £400 for a Grade A fee earner, £325 for a Grade B fee earner, £250 for a Grade C fee earner. The respondent’s solicitor’s hourly rate is substantially lower than the ‘going rate’ for a solicitor of her experience, and this is in recognition of the fact that the solicitor handles the matter throughout (which saves duplication when outsourcing tasks to more junior lawyers). It is also the selling point of Setfords Law Limited that one receives a personal service from a single point of contact. Setfords Solicitors are also instructed in relation to the ongoing litigation.

No printouts of time spent have been provided.

No time records have been provided.

Time printouts have not been produced as the respondent’s solicitor does not routinely time record when acting for landlord clients as the firm’s system cannot differentiate between s.60 and non-recoverable costs. The solicitor instead keeps a tally log within the file sleeve of s.60 recoverable costs and this has been used to relay the fees in the table below. A copy of the handwritten file sleeve can be provided if required.

No evidence has been produced which show that the sums sought do not exceed any sums for which the Landlord is liable to pay their solicitors.

Invoices for the s.60 legal and valuation costs rendered to the Respondent have been produced to the Applicant. Further copies are enclosed.

The Tribunal accepts the evidence of the invoices for the purposes of the indemnity principle and the veracity of the times claimed as incurred for the purposes of assessment.

ITEM	COST DESCRIPTION	COST	APPLICANT'S COMMENTS	RESPONDENT'S COMMENTS	TRIBUNAL'S COMMENTS (IN BLUE)

<p>Section 60(1)(a) costs - Investigation reasonably undertaken of the tenant's right to a new lease and preparation and service of the Respondent's s.45 counter-notice</p>	<p>Attendances on the Freeholder</p>		<p>Apply reduced rate at £25.00 per letter.</p>	<p>For the reasons mentioned, there is no reasonable basis for reduction of the hourly rate</p>	<p>For the reasons relied upon in relation to the hourly rates, the tribunal accepts the rate of £29.50.</p>
	<p>Routine emails/letters 5 @ £29.50 each</p>	<p>£147.50</p>	<p>£125.00</p>		
	<p>Routine telephone attendance: 2 @ £29.50</p>	<p>£59.00</p>	<p>£50.00</p>		
	<p>Attendance on the Tenant & Tenant's Solicitors (Carpenter & Co)</p>				
	<p>Routine emails/letters 3 @ £29.50</p>	<p>£88.50</p>	<p>£75.00</p>		
	<p>Work done on documents</p>		<p>Time spent on documents excessive and unreasonable</p>	<p>We disagree that the time spent was excessive. The ongoing litigation proceedings between the parties are material to both deduction of title and consideration</p>	<p>Time on documents; for the work done and in the light of the explanation offered this does not appear to the tribunal to be an unreasonable amount of time.</p>
	<p>Title and deposit request considering s.42 notice, Investigating tenant's right to a new lease, preparation of counter notice (excluding draft lease annexed to</p>				

	<p>counter notice)</p> <p>2 hours 54 minutes @ £295</p>	£855.50	£250.00	<p>n of whether or not to admit the claim in the counter notice, and it was necessary to look at this - as well as the work involved in preparing and serving the title and deposit notices, considering the applicant's s.42 notice and preparing the counter notice. Less than three hours is not therefore excessive or unreasonable.</p>	
<p>Section 60(1)(b) costs - Consideration and advice on valuation of the tenant's flat obtained for the purpose of fixing the premium</p>	<p>Attendances on the Surveyor (Carter Jonas)</p> <p>Routine letters/emails 2 @ £29.50</p> <p>Consideration of valuation for purpose of fixing the</p>	£59.00	£50.00	<p>The number are not challenged so our above comments re: hourly rate stand</p> <p>This is recoverable and 12 minutes is not unreasonable</p>	<p>As above, in re rates.</p> <p>Setfords were entitled to consider the valuation once obtained, indeed they would have been at fault not to do so. The time taken is also patently reasonable.</p>

	<p>premium</p> <p>12 minutes @ £295</p>	£59.00	<p>Zero minutes as the expert would have provided a figure</p>	<p>. Sinclair Gardens Investments (Kensington) Ltd v Wisbey [2016] UKUT 203</p> <p><i>“If a solicitor instructs a valuer to produce a valuation and then considers the valuation once it is provided, then the solicitor’s costs are “incidental to” the valuation. If they are incidental to the valuation then they are properly recoverable providing they are reasonable having regard in particular to section 60(2).”</i></p>	
<p>Section 60(1)(c) costs – The preparation and grant of the new lease</p>	<p>Attendances on the freeholder</p> <p>Routine letters/emails : 4 @£ 29.50</p> <p>Attendance on the Tenant and Tenant’s solicitors (Carpenter &</p>	£118.00	<p>What attendance?</p> <p>£100.00</p>	<p>This is a sub-heading and the letters/emails are detailed by number as to the left. The number are not challenged by the applicant so the issue is the hourly rate. Our</p>	<p>It is inevitably the case that Setford’s had to communicate with their client/s, particularly where the premium was subject to negotiation.</p>

Grade A; Solicitors with over 8 years PQE including at least 8 years litigation experience

Grade B; Solicitors and legal executives with over 4 years PQE including at least 4 years litigation experience

Grade C; Other solicitors and legal executives and fee earners of equivalent experience

Grade D; Trainee solicitors, paralegal and fee earners of equivalent experience

Valuation Fees:

Kevin Ryan: Hourly Rate: £250.00

Experience: as an experienced FRICS an hourly rate of £375 would not be out of place and is a rate this valuer routinely charges on other matters.

Respondent's comments

Hourly rate excessive, suggest £200.00

ITEM	COST DESCRIPTION	COST	APPLICANT'S COMMENTS	RESPONDENT'S COMMENTS	TRIBUNAL'S COMMENTS (IN BLUE)
Preparing for inspection (searching for plans, downloading them), inspecting and measuring the property (not including travel from London and back).	1.5 hours @ £250	£375.00	Excessive and unreasonable, Respondent suggest 30 minutes £100.00	The property is large, arranged on two floors and difficult to measure due to the sloping ceilings, dormers etc and the need to establish 1.5 metres levels to measure to. So taking 1 hour just for this including Taking internal and External photos. 0.5 hours for searching for and finding plans. Land	The tribunal accepts that taken with the next item this is a reasonable time to spend for these various tasks.

				Reg, Planning Department etc is minimum	
Legal documents review i.e., Section 42 Notice, reading lease etc.	0.5 hours @	£125.00	This should be considered with the above. Zero suggested		Included in the time assessed above.
Comparable evidence research including accessing and searching databases, Rightmove, Rightmove Plus and Land Registry and agent's websites, telephoning local agents to verify information,	1.5 hours @	£375.00	1 hour maximum £200.00	If only this could be done in such a short period of time. Invariably the agent you want to speak to about a particular comparable is not there and again a minimum of <u>1 hour</u> can be spent on this alone. The data bases are quicker, but they are not instant and need searching through dozens of non-comparable properties to select the right ones. <u>0.5 hours</u> is the very minimum for	It is no doubt right for the valuer to spend time selecting the best comparables and important that information is verified for a reliable and through valuation. The total time therefore appears reasonable.

				This	
Preparing detailed comparable evidence spreadsheet including applying indexed adjustment for time and considering and applying subjective adjustment percentages to identify extended lease value of subject flat.	2 hours @ £250.00	£500.00	This should be incorporated in the above time. Zero suggested.	An absolutely ridiculous proposition. Apart from the time spent creating the Excel spreadsheet this is a time-consuming task where the valuers skill comes into play not just making the mechanical adjustments for time and tenure (both Requiring index inputs) but then Making Subjective Adjustments to put the Comparables on a par with the subject property. This requires time for due Consideration ns as it is a Fundamental part of the Valuation exercise. 2 Hours is the Minimum such a task should take for a property of this nature	In the tribunal's view the valuer should be compiling the comparable evidence spreadsheet as part of the exercise above and will have started the process of applying subjective adjustments to them as part of that. Nonetheless, further time is required to complete this exercise. Allow, 1.5 hours. 3 hours overall for this and the above, appears ample. Allow this item, £375.
Writing valuation	1.2 hours @	£300.00	This should take no more	This depends on	

report including premium calculations.			than 1 hour. £200.00	the complexity of the report and the premium calculations. In this case marriage value was involved which makes the calculations more complex. 1.2 hours is the minimum and in reality more time was spent on this.	This is a broadly reasonable time to spend writing up and checking the report and to disallow the extra 0.2 of an hour actually incurred is in my view unwarranted.
Peer review.	0.3 hours @£250 TOTAL:	£75.00 £1.750.00	Not recoverable Zero suggested £500.00	Why? It is good and normal valuation practice and a PI requirement. Carried out by a qualified MRICS. 20 minutes minimum time to check report, comparables spreadsheet adjustments and premium calculations.	The tribunal agrees that this is good practice and should take place. However, it is primarily a safeguard for the author/valuer and should be treated in the same way as any overhead of the business and not charged out separately to the client, or for these purposes the Applicant. Time disallowed. TOTAL VALUER FEES, £1,425 plus VAT

Disbursements (in case details are required in addition to the s.60 fees):

Land Registry fees of **£20.70** were incurred
 Chaps transfer fee (sending completion monies to the respondent) **£30 plus**
 VAT = **£36**

It is understood by the tribunal from the comments above, that these costs are accepted by the Respondent not to be recoverable as section 60 costs

31 May 2023

Dated 20th February 2023

Setfords

Setfords

The costs detailed above do not exceed the costs which the Freeholder is liable to pay in respect of the work which this breakdown covers. An invoice for the recoverable s.60 legal fees is enclosed and this excludes non-s.60 cost items which were separately invoiced.

Further copy invoices are enclosed

Dated 8th March 2023

Carpenter & Co

Solicitors for the Applicant

Carter Jonas

2 Edinburgh House, Crossways, Grayshott, GU26 6HQ

Activity	Time Taken (Hours)
Preparing for inspection (searching for plans, downloading them), inspecting and measuring the property (not including travel from London and back).	1.5
Legal documents review i.e., Section 42 Notice, reading lease etc.	0.5
Comparable evidence research including accessing and searching databases, Rightmove, Rightmove Plus and Land Registry and agent's websites, telephoning local agents to verify information,	1.5
Preparing detailed comparable evidence spreadsheet including applying indexed adjustment for time and considering and applying subjective adjustment percentages to identify extended lease value of subject flat.	2
Writing valuation report including premium calculations.	1.2
Peer review.	0.3
Total at £250 per hour	7. £1,750 + VAT

Sales Invoice No. F0191271
Customer No. C0018156
Date 16/05/2022

Carter Jonas

Mrs Shaheen P Zaman
1b Edinburgh House
Crossways Road
Grayshott
GU26 6HJ

	VAT %	FEE
2 Edinburgh House, Crossways Road, Grayshott GU26 6HQ Leasehold Reform Housing and Urban Development Act 1993		
To: taking your instructions, attending at the above property, and reporting to you with our valuations and premium calculations as at the 5 March 2022.		
To: Our fees as agreed.		
£1,750 plus VAT		
Job Reference No. J0054903 KR/MO		
	20.00	1,750.00
	SUB TOTAL	£ 1,750.00
	VAT TOTAL	£ 350.00
	TOTAL	£ 2,100.00

Payment is due in accordance with our terms of business. Please notify any query to our office in writing **within 14 days** of receipt of invoice.

BACS Payments:

Barclays
Acct Name: Carter Jonas Service Co.
Account No. 40243639
Sort Code: 206745
IBAN: GB51BARC20674540243639
Swift: BARCGB22
Email: remittance@carterjonas.co.uk

Cheque Payments:

To: Carter Jonas
43 Priestgate
Peterborough
Cambs PE1 1AR

Card Payments:

Tel: 01733 588610
VAT No. 256845862

Invoice No: F0191271

We reserve the right to charge late payment interest on all amounts that are overdue for payment as per agreed letter and terms of engagement. We understand and will exercise our statutory right to claim interest and compensation for debt recovery costs under the late payment legislation, if we are not paid according to agreed credit terms.

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Carter Jonas LLP is a limited liability partnership registered in England and Wales no. OC304417. Reg office One Chapel Place, London W1G 0BG. Regulated by RICS.

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Mr S Zaman & Mrs S Zaman
Amber Cottage
Beacon Hill Road
Hindhaed
Surrey
GU26 6QB

Our Ref: Z285/2

VAT INVOICE

INVOICE NUMBER	DATE
543325	26/09/2022
MATTER	
Matter No.: Z285/2 Mr S Zaman & Mrs S Zaman	
LEASE EXTENSION - Flat 2, Edinburgh House, Jubilee Lane GU26 6HQ	

SUMMARY OF FEES & DISBURSEMENTS	Amount (ex VAT)	VAT	Total
Professional Fees	£2,500.00	£500.00	£3,000.00
Total:	£2,500.00	£500.00	£3,000.00

Total Amount	- Amount Paid	- Amount to be transferred from Client	= Total Amount Due
£3,000.00	£3,000.00	£0.00	£0.00

With Compliments

Natalie Turner
Consultant Solicitor**PAYMENT OPTIONS**

Payment terms 14 days

Quote Reference	Amount Due	Due Date
543325 \ Z285/2	£0.00	3/10/2022

If you wish to pay your Bill by bank transfer then please use the details below.

Barclays Bank, 1 Churchill Place, Canary Wharf, London, E14 5HP
Account Name: Setfords Law Ltd Client Account
Sort Code: 20-17-27
Account No: 2061 1352**Please make sure that you use the matter reference above to identify your payment**In the event you dispute any of our charges please, in the first instance, complaints@setfords.co.uk within
7 days of receipt of your invoice. For further information please also refer to our Terms and Conditions or the Solicitors
Code of Conduct 2011

Professional Fees

Date	Description	Author	Units	Amount (ex. VAT)	VAT
26/09/2022	To our recoverable Section 60 costs, for dealing with the above matter	NT	1	£2,500.00	£500.00
			Total:	£2,500.00	£500.00

Total Amount	- Amount Paid	- Amount to be transferred from Client	= Total Amount Due
£3,000.00	£3,000.00	£0.00	£0.00