

FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case reference	:	LON/00AC/OC9/2023/0106
Property	:	31 and 32 Heronsgate, Edgware HA8 7LD
Applicant	:	Steven Daniel Nahoorayoff (Nominee Purchaser)
Representative	:	Lease and More Law, Solicitors
Respondent	:	Hillary Michelle Sadick (Freeholder)
Representative	:	Thirsk Winton LLP
Type of application	:	Determination of costs pursuant to section 33(1) of The Leasehold Reform Housing and Urban Development Act 1993
Tribunal member(s)	:	Judge Tagliavini Mrs S Phillips MRICS
Venue	:	10 Alfred Place, London WC1E 7LR
Date of decision	:	18 October 2023
		DEGIGION

DECISION

The tribunal's summary decision

1. The tribunal determines costs and disbursements in the amount of \pounds 5,050 (plus VAT) are payable by the applicant tenant to the respondent.

The application

- 2. The leaseholder applicant seeks the tribunal's determination as to the costs payable pursuant to section 33(1) of The Leasehold Reform Housing and Urban Development Act 1993 in respect of the enfranchisement of the two properties situate at 31 and 32 Heronsgate, Edgware HA8 7LD ('the properties').
- 3. The respondent seeks legal costs of £8,000 plus VAT; a bank transfer fee of £42 and a transfer plan fee of £175 plus VAT. The applicant submits the sums that are reasonably payable are the respondent's legal costs of £2,500 plus VAT and a transfer plan fee of £100 plus VAT. No other sums are accepted by the applicant as reasonable.

The hearing

4. As neither party requested an oral hearing the application was determined on the documents provided by both parties in a bundle of 42 (electronic) pages.

The tribunal's decision

5. The tribunal determines the sum of \pounds 5,050 (plus VAT) is payable by the applicant to the respondent in respect of legal costs and disbursements.

The tribunal's reasons

6. The relevant parts of Section 33 of the 1993 Act state:

(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.

7. The tribunal accepts the hourly rate of an experienced (London) solicitor of \pounds 375 falls within the range of reasonableness. However, the

tribunal finds that a percentage of the work could have been carried out by a more junior colleague at a lower hourly rate and that the time spent by the experienced fee earner could have been reduced. In particular, the tribunal finds excessive the time spent on the items that appear in the respondent's Schedule of Legal costs are as follows:

- (i) Consideration of title docs and lease: $15 \text{ units} = \pounds 562.50$
- (ii) Initial drafting of s.21 counternotice: 24 units =£900.00
- (iii) Further drafting of s.21 counternotice and plan: 10 units = \pounds 375
- (iv) Finalising s.21 counternotice and arranging service: 10 units = £375
- (v) Considering earlier letter from OS and drafting response: 10 units = \pounds 375.00
- (vi) Drafting TP1 and plan: $40 \text{ units} = \pounds1,500$
- (vii) Considering amendments from OS and responding to the same: 10 units = \pounds 375.00
- (viii) Considering reply from OS and responding 10 units = \pounds 375.00
- 8. The tribunal finds that an experienced solicitor specialised in this area of law could reasonably have dealt with these, often repetitive tasks, in less time than the 129 units claimed which amount to £4,837.50. Therefore, taking a broad brush approach, the tribunal reduces the time reasonably spent by a Grade A fee earner from the 21.6 hours claimed to 12 hours, thereby providing a figure of £4,500 plus VAT.
- 9. The tribunal also considers that there a number of tasks that could reasonably have been carried out by a more junior member of staff charging the rate of £125.00 per hour. These include such matters as '*email to other side with completion statement' and 'email to other side to confirm completion.*' Therefore, again using a broad brush approach the tribunal considers a total of 3 hours is reasonable thereby providing a figure of £375 plus VAT.

- 10. The tribunal finds the Planner's fee of £175 plus VAT is reasonable and payable.
- 11. In conclusion the tribunal finds £5,050 plus VAT is reasonable and payable by the applicant in respect of legal fees and disbursements.

Name: Judge Tagliavini

Date: 18 October 2023

<u>Rights of appeal</u>

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 should be made on Form RP PTA available at <u>https://www.gov.uk/government/publications/form-rp-pta-application-forpermission-to-appeal-a-decision-to-the-upper-tribunal-lands-chamber</u>

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).