

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

Case Reference(s) : BIR/00CS/OC6/2023/0001

Properties : 91 Theodore Close Oldbury West Midlands

**B69 3EF** 

Applicant : Peggy Maureen Kay

Representative : Midland Valuations Limited

**Respondent** : Jamar Properties Limited

Type of Applications : Under section 21 (1) (ba) of the Leasehold

Reform Act 1967 for a determination of the reasonable costs payable under section 9 (4) of

the Act.

Tribunal Member : Tribunal Judge P.J Ellis

V Ward BSc Hons FRICS - Regional Surveyor

Date of Hearing : 7 March 2024

Date of Decision : 11 March 2024

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## **DECISION**

The sum payable for costs pursuant to section 21 (1) (ba) of the Leasehold Reform Act 1967 for a determination of the reasonable costs payable under section 9 (4) of the Act is £607.50 plus VAT and £6.00 Land Registry Fee

- 1. This is an application by the Applicant Peggy Maureen Kay for determination of the Respondent's costs payable by her following determination of the price payable for the acquisition by her of the freehold interest in the property under the Leasehold Reform Act 1967 (the Act).
- 2. The substantive matter application related to this, costs application has been determined. The Respondent was barred from taking part in the substantive proceedings, by order of the Tribunal made on 21 June 2023 pursuant to rules 9(3)(a) & (7)(a) Tribunal Procedure(First-tier Tribunal)(Property Chamber)Rules 2013.
- 3. Directions for determining this application were issued on 20 September 2023 directing the Respondent to serve a statement of costs by 4 October 2023. The Respondent has not served a statement of costs and the Applicant now makes this request for the Tribunal's determination of her liability for the Respondent's costs.
- 4. By section 21(1)(ba) of the Act the tribunal is given jurisdiction to determine the costs payable by the Applicant under s9(4) of the Act of the following matters:
  - (a) any investigation by the landlord of that person's right to acquire the freehold;
  - (b) any conveyance or assurance of the house and premises or any part thereof or of any outstanding estate or interest therein;
  - (c)deducing, evidencing and verifying the title to the house and premises or any estate or interest therein;
  - (d)making out and furnishing such abstracts and copies as the person giving the notice may require;
  - (e)any valuation of the house and premises.
- 5. The Applicant is represented by Mr Jolyon Moore of Midland Valuations, a business established for the purpose of undertaking franchise valuations. He is very experienced in dealing with matters of this sort. He has made a submission

to the Tribunal of the costs for which the Applicant is responsible under the relevant legislation.

- 6. Mr Moore's submission relates to the expenses described in s9(4)of the Act recited in paragraph 5. He contends that as the Respondent has taken no part in the proceedings or served any evidence including valuation evidence there should be no allowance for any valuation of the house and premises.
- 7. The other categories of cost in s9(4) relate to legal work. In that connection Mr Moore submits the Respondent has not incurred any costs in connection with investigating the Applicant's right to acquire the freehold. Therefore, no fee is payable for this category of work.
- 8. Relying on his experience he has estimated the likely amount of work in preparation for the transfer of title at three hours in total by three fee earners at one hour each, one Grade A, one Grade b and the third Grade C. He submits the guideline rates for solicitors in outer Birmingham are: A-£255, B-£177 and C-£126 from which he calculates a reasonable estimate of legal fees is £588 to which should be added fees payable to HM Land Registry for deducing title which he claims is £6.00. Mr Moore admits the title to the property is one of several registered with HM Land Registry and that severance of the title may be required.
- 9. The Tribunal is satisfied with the approach adopted by Mr Moore. It determines that no fee is payable to the Respondent in connection with valuation of the property or the investigation of the Applicant's entitlement to acquire the freehold.
- 10. The Tribunal accepts that three grades of fee earner are likely to be involved in the transaction but considers the split is not accurate. The Tribunal determines that the work involved is Grade A 30 minutes, Grade B 2 hours, Grade C one hour making the fees £607.50 plus VAT and £6.00 disbursement.

## **Appeal**

11. If either party is dissatisfied with this decision, they may apply to this Tribunal for permission to appeal to the Upper Tribunal (Lands Chamber). Any such application must be received within 28 days after these written reasons have been sent to the parties (rule 52 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013).

Judge PJ Ellis Chair