

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

Case reference	:	LON/00BC/OC9/2025/0602
Property	:	25 Malford Court, Woodford Road, South Woodford, London E18 2HR
Applicant	:	<b>Craighton (Properties) Limited</b>
Representative	:	Wallace LLP <i>Ref: SB.C3601.1</i>
Respondent	:	<b>Caroline Anne Bishop nee Howson</b>
Representative	:	Laderman & Co.
Type of application	:	S.60 costs – Leasehold Reform Housing and Urban Development Act 1993
Tribunal member	:	Judge Tagliavini
Venue	:	10 Alfred Place, London WC1E 7LR
Date of decision	:	22 April 2025
DECISION		

### **Decisions of the tribunal**

(1) The tribunal determines the sum of £4,904.67 (inclusive of legal fees, valuer's fee, Land Registry Fee, courier charges and VAT) is payable by the respondent to the applicant less the respondent's deposit of £2,000 held by the applicant.

### The application

1. The applicant landlord has applied for a determination of the reasonable costs it incurred in respect of the respondent's application for a lease extension, after having failed to make an application to the tribunal for a determination of the price payable for the grant of a new lease under the provisions of the Leasehold Reform, Housing and Urban Development Act 1993 ('the 1993 Act).

## <u>The background</u>

2. In the application, the applicant asserts that it has incurred:

Landlord's legal fees (including VAT) £3,960.00

Land Registry fees (including VAT) £7.20

Courier fees (including VAT) £37.47

3. However in its Schedule of Costs, the landlord asserted its legal fees had risen to  $\pounds$ 4,277.40 (inclusive of VAT). The respondent asserted the sum of  $\pounds$ 2,855.07 is payable inclusive of the valuer's fees and provided annotations to the applicant's Schedule of Costs.

# <u>The hearing</u>

4. Neither party requested an oral hearing and the tribunal determined the application on the 279 page, digital bundle provided by the applicant.

### <u>The tribunal's reasons</u>

5. In a Statement of Case dated 24 February 2025, the respondent submitted that the 1993 Act required the tenant to be responsible only for the matters set out in s.60 of the Act. The respondent asserted the costs incurred by the landlord were (i) unreasonable (ii) excessive, (iii) include unreasonable costs and (iv) include an excessive hourly rate charged by the fee earner used. Further, the respondent asserted the interim costs quoted had almost tripled to the final sum claimed by the applicant

- 6. The respondent asserted the landlord had acted prematurely in submitting a new draft lease with Conter Notice as terms had not been agreed and there was no requirement for the draft of a new lease at that time.
- 7. The respondent submitted the hourly rate of the A grade fee earner used by the applicant was too high and therefore unreasonable and in any event had failed to identify which grade of fee earner was being used for any specific task.
- 8. The respondent also asserted that the applicant had failed to provide clarification of their costs when asked to do so and had made the application to the tribunal without notice or a copy being sent to the respondent's representatives.
- 9. The respondent accepted the valuer's fee of £3700 plus VAT was reasonable but disputed the Land Registry fee and the courier's costs. The respondent repeated her previous offer made of £2,855.07 as being reasonable based on the use of a Grade A fee earner for 4 hours at an hourly rate of £398.00 plus disbursements.
- 10. The respondent also sought the costs she had incurred in dealing with this application in the sum of  $\pounds$ 750 plus VAT on the basis the applicant had been unreasonable in making the application.
- 11. The applicant provided a Schedule of Costs and set out its reasons for the sums claimed in a detailed Statement in Reply dated 7 March 2025 and supported by documentary evidence.
- 12. In reaching its decision, the tribunal took into account the representations of both parties and the other documentary provided. The tribunal accepts the applicant uses and has regularly used its current solicitors and pays the hourly rates charged by these London solicitors. Further, the tribunal is satisfied the applicant has sufficiently set out the grade of fee earner used for a particular task in its Schedule of Costs which when read together with the email dated 24 June 2024 provides the detail, the respondent has stated is missing. The tribunal also takes into account the respondent's choice to re-serve the Notice of Claim due to the invalidity of the initial notice (this having been pointed out by the applicant's legal representatives).
- 13. In a letter dated 22 May 2024 the applicant set out the amount of costs the landlord had incurred which amounted to £4904.67 and requested a balancing payment of £2,904.67 from the respondent. The tribunal finds the respondent was made aware of the costs claimed before the application to the tribunal was made on or around 5 November 2024 but failed to pay them.

- 14. The tribunal does not consider the applicant's costs to be unreasonable or excessive and finds the respondent is required to pay the £4,904.67 sought less the deposit paid of £2,000. The tribunal is unclear as to how the discrepancy between the costs state in the application and the Schedule of Costs has arisen. The tribunal, therefore, prefers to rely on the costs specified by the applicant in its application and its letter to the respondent dated 22 May 2024.
- 15. Although the respondent stated the offered sum of  $\pounds$ 2,855.07 was paid to the applicant, the tribunal finds this was unequivocally rejected by the applicant.
- 16. The tribunal finds there is neither the jurisdiction nor basis for making the award of costs sought by the respondent and therefore refuses this request. Had the respondent sought to make an application for costs under r.13 of The Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013, this should have been referred to and set out in appropriate detail

Name: Judge Tagliavini

Date: 22 April 2025

# **<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 Firsttier 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-for-permission-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).