



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

**Case reference** : **LON/00AJ/OC9/2025/0615**

**HMCTS code (paper)** : **Paper Remote**

**Property** : **Flat 29 Connell Crescent, London, W5 3BH**

**Applicant** : **Brickfield Properties Limited**

**Represented by** : **Wallace Solicitors LLP**

**Respondent** : **MC Housing Limited**

**Represented by** : **SCJ Solicitors**

**Type of application** : **Application to decide the costs to be paid Under Section 60(1) of the Leasehold Reform Housing and Urban Development Act 1993**

**Tribunal** : **Judge Daley**

**Venue and Date of Determination** : **Paper Determination on 10 June 2025**

**Date of decision** : **10 June 2025**

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**DECISION**

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**Description of hearing**

This has been a paper determination; The form of remote hearing was paper remote. An in-person hearing was not held because all issues could be determined in a remote paper determination. The documents that the Tribunal

were referred to are in an electronic bundle of 161 pages, the contents of which have been noted.

## **Decision**

The Tribunal has determined that the cost to be paid by the Applicant in accordance with Section 60 (1) of **Leasehold Reform Housing and Urban Development Act 1993 (“the 1993 Act”) £3000 (two thousand Five hundred pounds inclusive of VAT (of £500) for the legal costs and £1152.00.00 for the surveyor’s costs and disbursements in the sum of £61.93 . The Total costs payable is £4213.93(Four thousand two hundred and thirteen and 93 pence.**

## **Background**

1. The background is as set out in the Applicant’s Applicant and Section 60 (1) cost schedule. In brief the applicant who is the leaseholder seeks a determination on the cost payable for the investigation work undertaken and up to and including the service of the counter notice when the claim was deemed to have been withdrawn (on 7 August 2025).
2. The costs at the issue of the application were £4,213.93 (inclusive of VAT).

## **The Evidence and submissions**

3. The background is set out in the submissions from the Applicant. The Applicant is the head leaseholder of 25-31 Connell Crescent of which the subject premises, forms part. The Respondent holds a long lease of the subject premises of 90 years less three days from 22 September 1950.
4. On 12 December 2023, the Respondent’s predecessor issued a notice of claim applying for a lease extension.
5. On 9 January 2024, the notice was assigned to the Respondent. The Applicant served a counter notice admitting the Respondent’s right to a lease extension; however, the terms of the lease extension were not agreed. Pursuant to Section 48 the Applicant had until 7 August 2024 to lodge an application with the Property Chamber to determine any outstanding terms of acquisition of a new lease of the Flat. The Respondent failed to make such application, and accordingly the Notice was deemed withdrawn pursuant to the provisions of Section 53 of the Act on 7 August 2024.
6. In paragraph 9 of their written submission the applicant’s representative set out that “Statutory costs have not been agreed and accordingly on or about 17 December 2024, Brickfield’s solicitors made an Application to the Property Chamber seeking determination of statutory costs payable pursuant to Section 60. “
7. Directions were given by the Tribunal on 13 March 2025.

8. The Directions required the Applicant to-: *“by 3 April 2025: -- a schedule of costs claimed sufficient for a summary assessment; The schedule shall identify the basis for charging legal and/or valuation costs. If costs are assessed by reference to hourly rates, detail shall be given of fee earners/case workers, time spent, hourly rates applied and disbursements. The schedule should identify and explain any unusual or complex features of the case. • copies of the invoices substantiating the claimed costs; and• copies of any other documents/reports upon which reliance is placed.”*
9. A Schedule of costs was provided to the Respondent’s solicitors on 3 April 2025.
10. The Directions required the Respondent by 24 April 2025, to provide the following-: *a statement of case and any legal submissions; The statement shall identify any elements of the claimed costs that are agreed and those that are disputed (with brief reasons). The statement may usefully (a) specify alternative costs that are considered to be reasonable and (b) where the tenant is represented, details of the hourly rates, or other basis for charging, applied by its solicitors, valuers or other professional advisors in the calculation of their equivalent costs. • copies or details of any comparative cost estimates or accounts upon which reliance is placed; and• copies of any other documents/reports upon which reliance is place pursuant to the directions...”*
11. The Respondent did not comply with the directions and has made no submissions concerning the Applicant’s cost.
12. statements of costs and supporting invoices provided
13. In their written submissions the Applicant’s solicitor set out the costs which were incurred with invoices in support.

### **The Tribunal Decision and reasons**

14. The Tribunal considered the submissions of the Applicant, it reminded itself of the law, that the cost incurred had to be assessed “if the circumstances had been such that he was personally liable for all such costs.” That is, that the Applicant was responsible for paying the cost without the possibility of recovery.
15. The Tribunal considers that such a party should be considered as having a reasonable but not excessive budget for legal costs, and that such a party would where possible, keep a careful eye on the costs, and would take steps to reduce costs and ensure that the work being undertaken was proportionate; that is only what was necessary to deal with the claim. where appropriate, such a party would seek a discount.
16. The Tribunal has acknowledged that the Respondent has not set out any objection to the costs. However, it has applied the assessment of what a reasonable paying party would expect when assessing the costs. It has also stood back and used its knowledge and experience to consider whether the costs, are reasonable and proportionate, and whether a paying party, would ask those who assist to take steps to further reduce the costs.

#### *The Solicitors Costs*

17. The Tribunal accepted the evidence in the submissions on cost; it noted that this is a highly technical area of law to be conducted by a solicitor with the requisite knowledge and experience in this field. It decided having applied its approach concerning its assessment on costs, and in the absence of any detailed objections it determined that the solicitor's costs in the sum of £2500 plus VAT in the total sum of £3000.00 was reasonable and payable.

*The surveyor's fees*

18. The Applicant set out the following representations concerning the surveyor costs -: *Valuer's fees are properly recoverable from the Respondent in accordance with Section 60(3) of the Act. Brickfield asks the Tribunal to consider that valuation fees for an individual lease extension usually range between £1,000 and £1,500 plus VAT. The fees in this case are £960 plus VAT and it is submitted that the same are reasonable in the circumstances.*"

19. The Tribunal accepted the submissions of the Applicant and has determined that the sum of £1152.00 is reasonable and payable.

20. The Tribunal has considered the disbursements the landlord's land registry fees in the sum of £21.60 and the courier fees of £40.33, having seen the invoices and considered the submissions the Tribunal find that the sums are reasonable and payable.

**21. The Tribunal determines that the reasonable sue payable for Section 60 (i) costs is in the total sum of £4213.93.**

**Signed: Judge Daley**

**Dated 10 June 2025**

### **Right of Appeal**

1. 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.
2. 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.
3. 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.

4. 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.

### **Appendix one**

Section 60 of the 1993 Act

Costs incurred in connection with new lease to be paid by tenant.

(1)Where a notice is given under section 42, then (subject to the provisions of this section) the tenant by whom it is given shall be liable, to the extent that they have been incurred by any relevant person in pursuance of the notice, for the reasonable costs of and incidental to any of the following matters, namely—

(a)any investigation reasonably undertaken of the tenant's right to a new lease;

(b)any valuation of the tenant's flat obtained for the purpose of fixing the premium or any other amount payable by virtue of Schedule 13 in connection with the grant of a new lease under section 56;

(c)the grant of a new lease under that section;

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 a relevant person 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.

(3)Where by virtue of any provision of this Chapter the tenant's notice ceases to have effect, or is deemed to have been withdrawn, at any time, then (subject to subsection (4)) the tenant's liability under this section for costs incurred by any person shall be a liability for costs incurred by him down to that time.