



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

Case reference : **LON/00BK/0C9/2025/0647**

Property : **236 Park West, Edgware Road, London
W2 2QL**

Applicant : **Daejan Investments Limited**

Representative : **Wallace LLP**

Respondent : **Said Abdelhafiz Mohamed Hussein
Elhakim**

Representative :

Type of application : **Section 24 of the Leasehold Reform,
Housing and Urban Development Act
1993**

Tribunal members : **Judge Dutton**

**Date of determination
and venue** : **Remote Paper determination**

Date of decision : **10 September 2025**

DECISION

Decision of the Tribunal

The Tribunal determines that the amount of costs payable by the respondent under s.60 (1) of the 1993 Act are:

- (1) Landlord's Legal fees (inclusive of VAT) - £2869.80
- (2) Landlord's Valuation fees (inclusive of VAT) - £1,740
- (3) Landlord's Land Registry fees - £14.40
- (4) Landlord's Courier fees (inclusive of VAT) - £12.60.

A. Background

(1) The applicant landlord seeks an order under s.60(1) of the Leasehold Reform, Housing and Urban Development Act 1993 (the "1993 Act") as to the amount of costs payable in connection with the service of a Notice under s42 of the Act for a lease extension in respect of the lease of 236 Park West Edgware Road, London W2 2QL and subsequent steps taken until withdrawal under the provisions of s53 of the Act.

(2) The application, dated 9 April 2025, stated that the applicant was content for the matter to be dealt with by way of a paper determination. The Tribunal's Directions of 17 June 2025 confirmed that the matter suitable for a paper determination.

(3) The costs sought on the application are :

- (a) Landlord's Legal fees (inclusive of VAT) - £2,820
- (b) Landlord's Valuation fees (inclusive of VAT) - £1,740
- (c) Landlord's Land Registry fees - £14.40
- (d) Landlord's Courier fees (inclusive of VAT) - £12.60

(4) By the directions the applicant landlord was directed to provide the respondent by 8 July 2025 with a schedule of costs sufficient for summary assessment, invoices substantiating the costs and any other documents relied on. This was done.

(5) The directions directed the respondent to provide the applicant by 29 July 2025, a statement of case, details of comparative cost estimates and any other documents the respondent wished to rely on and giving the applicant the right to respond to the Respondent's case by 12 August 2025. This was not done.

Indeed, the Respondent has played no part in these proceedings.

(6) The directions required the applicant to prepare an agreed bundle, which was provided to me in advance of the determination.

(7) s.60 of the 1993 Act provides that:

(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

(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.

(5) A tenant shall not be liable under this section for any costs which a party to any proceedings under this Chapter before the appropriate tribunal incurs in connection with the proceedings.

(6) In this section "relevant person", in relation to a claim by a tenant under this Chapter, means the landlord for the purposes of this Chapter, any other landlord (as defined by section 40(4)) or any third party to the tenant's lease.

B. The applicant's statement of costs and submissions

1. The statement of costs gives a charge out rate for a partner in the leasehold

enfranchisement department at Wallace LLP of £575 per hour, and for a legal director £465 per hour with an assistant solicitor charging £375 per hour. It gives a breakdown of the time spent by the partner and other fee earners on work on the documents, communications with their client, the tenant's solicitors, and the valuer, in total some 4.7 hours. Evidence of the land registry disbursements and the courier fees were provided. This shows total costs of £4,636.80 inclusive of VAT.

2. The bundle includes an invoice from Chestertons, chartered surveyors, for £1,450 plus VAT, dated 17 April 2025. It is noted that the valuer did not seem to inspect the Property.

3. The applicant's statement of case states that the Applicant served a Counter Notice on about 19 March 2024 admitting the Respondent's right to a new lease but putting forward a difference premium. Under section 48 of the Act the Respondent had until 18 September 2024 to make application to the Tribunal but failed to do so within the required statutory period pursuant to s.48 of the Act and the Notice of Claim was therefore, deemed withdrawn pursuant to s.53 of the Act.

4. I am asked the tribunal to note the respondent's failure to comply with the directions and that no submissions have been received from the respondent in response to the statement which was provided on 8 July 2025. The applicant therefore submits that the costs set out in the statement of costs are not disputed.

5. The applicant's solicitors have acted for the applicant for many years in enfranchisement matters. They submit that it is reasonable for fee earners with relevant experience to have conduct of the matter, and referred me to a number of cases which set out the principles I am asked to consider in connection with the reasonableness of costs.

7. In particular, in writing this decision I have gratefully adopted the recent decision of Judge Brilliant dated this year under reference LON/00AC/OC9/2024/0628, which is also a Wallace LP case and very similar to this one, given the lack of involvement of the Respondent

C.The respondent's case.

8. There was no evidence or submissions from the respondent.

D. Reasons for the tribunal's decision

9. In the absence of any evidence from the respondent I have reached this decision on the basis of the statement of costs and submissions from Wallace LLP. The directions stated, *'If any party fails to comply with these directions the Tribunal may in any event determine the issues in dispute on the basis of such information and evidence as is available.'* The respondent has provided no statement of case, no details of comparative cost estimates nor any other documents wished to be relied on, as directed to do.

10. I have to decide whether the costs are costs recoverable under s.60(1), and, if so whether they meet the test of reasonableness set out in s.60(2).

11. The cases cited by the applicant in which the level of fees charged by Wallace LLP have been approved by other Tribunals are instructive, but are not binding on me and each case must be determined on its own merits.

12. On the basis of the breakdown of costs provided by Wallace LLP I find that the costs listed in that breakdown fall within s.60(1), as they relate to investigation reasonably undertaken of the tenant's right to a new lease, the valuation of the tenant's flat and the provision of a new lease. The Tribunal notes that they do not include any costs incurred in connection with any application to the tribunal, which are excluded under s.60(5).

13. Any costs incurred by the relevant person in respect of professional services rendered are to be regarded as reasonable only 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. The existence of invoices addressed to the applicant may indicate that the applicant would have paid them, but of itself that does not make the charges reasonable.

14. There are no submissions from the respondent before me and therefore the charge out rates of Wallace LLP, the time spent on the transaction, or the seniority of solicitors used for all aspects of the application does not come under challenge from the paying party.

15. I accept that the applicant is entitled to instruct Wallace LLP, who are its long-time solicitors, and that the rates charged by Wallace LLP are not inconsistent with the

usual charge out rates for solicitors in central London.

16. In the circumstances I find the legal costs of Wallace LLP to be reasonable.

I also find the level of disbursements charged to be reasonable.

17. In the absence of any challenge I find the surveyor's costs to be reasonable and although there was no attendance the time recorded shows costs would have been £2,000 plus VAT and not £1,450 plus VAT as charged.

18. I am unclear whether VAT is recoverable by the Applicant.

Name: Judge Dutton

Date: 07 April 2025

Rights of appeal

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 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).