



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

Case reference : **CAM/00BC/OC9/2025/0602**

Property : **Flat 8 Eldon Avenue, Borehamwood,
WD6 1PP**

Applicant : **Daejan Estates Limited**

Represented by : **Samantha Bone of Wallace LLP**

First Respondent: : **Generics Group Limited**

Represented by : **Mohammed Moula of Bowling & Co
Solicitors**

Type of application : **Section 60(1) costs pursuant to section
91(2)(d) of the Leasehold Reform,
Housing and Urban Development Act
1993**

Tribunal member : **Judge Bernadette MacQueen**

Date of Decision : **17 November 2025**

DECISION

Decision

1. The Tribunal determines that the amount of costs payable by the Respondent under section 60(1) of the Leasehold Reform, Housing and Urban Development Act 1993 are:

Legal Fees (inclusive of VAT)	£4,200
Valuation Fees (inclusive of VAT)	£900
Land Registry Fees (inclusive of VAT)	£115.20
Courier Fees (inclusive of VAT)	£61,74

The Application

2. The Applicant is the headlease owner of 8 Eldon Avenue, of which Flat 8, Eldon Avenue, Borehamwood, WD6 1PP (the Property) forms part.
3. The Respondent's predecessor in title, David Anthony Gobbee, held a long lease of the Property for a term of 99 years less 3 days from 25 March 1954.
4. The Applicant seeks a determination under section 91(2)(d) of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") as to the reasonable costs payable by the Applicant tenant under section 60(1) of the Act.
5. Directions were issued by the Tribunal on 15 August 2025 and, in accordance with the directions, the parties provided a bundle of documents which consisted of 287 pages (the Bundle).
6. The directions stated that the Tribunal considered the matter suitable for determination without an oral hearing unless either party requested a hearing. No such request was received and so the Tribunal has determined the application on the basis of the Bundle provided.

Background

7. By a Notice of Claim dated 30 May 2024 (the Notice) (pages 67 to 68 of the Bundle), the Respondent's predecessor in title made an application for the grant of a new lease by way of Notice.
8. On 3 June 2024, the Property was assigned to Crestsky Limited and thereafter the Property was assigned to the Respondent on 9 August 2024.
9. On 29 August 2024, the Applicant served a counter-notice pursuant to section 45 of the Act (the Counter-notice) admitting the Respondent's entitlement to the grant of a new lease for the Property (page 100 of the Bundle). The Notice was deemed withdrawn pursuant to section 53 of the Act on 27 February 2025.
10. Costs were not agreed and therefore the Applicant made an application to the Tribunal seeking determination of statutory costs under section 60 of the Act.

Validity of the Notice

11. The Respondent submitted that a landlord was entitled to costs under section 60 of the Act where a notice is given under section 42. However, in this matter, the Respondent submitted that a valid notice had not been given and so no liability for costs arose. Specifically, the Respondent stated that the Applicant also contended that the Notice was invalid in their letter of 29 August 2024 (pages 98 to 99 of the Bundle). The Respondent further submitted that the benefit of the Notice had been assigned to the Respondent, but the burden, including any liability to costs, had not been so assigned.

12. The Applicant submitted that on 3 June 2024, the Property and the benefit of the Notice was assigned to Crestsky Limited. The Property was then assigned to the Respondent on 9 August 2024.
13. The Applicant submitted that the Counter-Notice of 29 August 2024 admitted the Respondent's entitlement to the grant of a new lease for the Property but was made without prejudice to the contention that the Notice was invalid and of no effect as the Notice had not been served on the competent Landlord, and the premium proposed was so low as to not be a genuine opening offer. Further, the Applicant stated that the Counter-Notice was served and addressed to "the Lessee" as the assignment had not been registered at HM Land Registry on the date of service.

Tribunal Decision – Validity of the Notice

14. The Tribunal does not accept the Respondent's position that costs are not payable because the Notice is said by the Respondent to be invalid. Section 60 of the Act provides for the recovery of costs by a landlord following service of the Notice under section 42 of the Act. Section 60(3) specifies that where a tenant's Notice ceases to have effect or is deemed withdrawn, the tenant's liability for costs incurred by the landlord following service of the Notice shall be a liability for costs incurred by the landlord up to that date. The Tribunal is satisfied that the Respondent's Notice was deemed to be withdrawn on 27 February 2025 and therefore costs incurred by the Applicant to that date are payable.
15. Further, the Tribunal does not accept the Respondent's position that the benefit of the Notice had been assigned to the Respondent but the burden, including any liability to costs, had not been assigned. The Tribunal accepts the Applicant's position. The Transfer states at panel 11 of TR1 dated 9 August 2024 (page 95 of the Bundle):

"The Property is transferred TOGETHER with the full benefit of a notice under section 42 of the Leasehold Reform Housing and Urban development Act 1993 ("the 1993 Act") dated 30th May 2024 claiming the tenants right to an extended lease of the Property ("Notice of Claim") and the rights and obligations arising thereunder SUCH ASSIGNMENT of the benefit of the Notice of Claim to take effect at the date of completion of the transfer of the Property to the Transferee by virtue of the registration of the Transferee as proprietor at the Land Registry.

The Transferee hereby covenants with the Transferor with the object of giving the Transferor a full indemnity to perform and discharge all the obligations arising under the Notice of Claim and to indemnify and keep indemnified the Transferor and his estate and effects from and against all actions claims costs demands for and on account thereof of otherwise arising out of the giving of the Notice of Claim."

16. The Transfer has been executed by the Respondent (panel 12 page 97 of the Bundle). The Tribunal is satisfied that when the benefit of a notice of claim is assigned, the assignee also takes on the liabilities of the Notice and that includes

the liability for the landlord's costs under section 60 of the Act. The Respondent is therefore liable for the costs in respect of the Notice.

Costs Incurred

17. The Applicant sought costs of £4,200 for legal fees (inclusive of VAT), £900 for valuation fees (inclusive of VAT), £115.20 Land Registry fees (inclusive of VAT) and £61.74 courier fees (inclusive of VAT). Making a total of £5,276.94.
18. The Respondent stated that legal fees should be reduced to £2,524.40 with VAT of £735.30. The Respondent noted that if the Applicant is registered for VAT, it is not recoverable as costs. The Land Registry fees should be reduced to £15 and notes that VAT is not charged on Land Registry fees. The Respondent further states that there is no apparent justification for any courier fees and there should therefore be no charge.

Valuation Fee – Agreed Matter

19. The Respondent accepts that the valuation fee of £750 appears reasonable. The Applicant confirmed that VAT is recoverable.
20. The Tribunal accepts that the valuation fee of £900 including VAT is reasonable and finds this amount recoverable.

Legal Fees

21. The Applicant submitted that the Applicant's solicitor was a Grade A fee earner who was a partner in the Leasehold Enfranchisement Department in London and at the relevant time charged £575 per hour. Additionally, a Legal Director, also a grade A fee earner had an hourly rate of £465 per hour and completed work by communicating with the valuer. An assistant solicitor, grade C fee earner, also undertook work preparing the draft lease for the counter-notice and charged £465 per hour. Further a paralegal, who was a Grade D fee earner, undertook work preparing the section 92(2) notices and communicating with the Respondent's solicitor and had an hourly rate of £250.
22. The Respondent submitted that the hourly rates claimed by the Applicant were excessive and referred the Tribunal to the County Court Guideline Fees. The Respondent submitted that if these rates were applied, the Applicant's fees would be reduced to £2,524.40 plus VAT.

Tribunal Decision – Legal Fees

23. The Tribunal finds that the hourly rates charged by the Applicant's solicitors are consistent with usual charge out rates for solicitors in London. Whilst the Respondent refers to the County Court Guideline Hourly Rates, the Tribunal accepts that these are guidelines. The Tribunal further finds that the work connected with leasehold enfranchisement is of a specialist nature and that this

justifies the hourly rates claimed by the Applicant. The Tribunal therefore finds that the hourly rates charged by the Applicant are reasonable.

24. In terms of the fee earners used, the Tribunal is satisfied that the fee earners were used appropriately for the work involved. The Tribunal notes particularly that a Grade D fee earner was used for drafting.
25. The Respondent does not submit that any of the work completed was unnecessary to deal with the Notice. The Tribunal has considered the work completed by the Applicant's solicitors as set out at pages 120 to 122 of the Bundle and finds that the work is recoverable.
26. The Tribunal accepts the Applicant's position that they are registered for VAT and that VAT is recoverable. The Tribunal therefore finds that legal fees of £4,200 (including VAT) are payable by the Respondent.

Courier Fee

27. The Applicant submitted that they used a courier to ensure safe delivery of the Counter-Notice given the consequences of failing to serve the Counter-Notice by the date specified in the Notice.
28. The Respondent submitted that there was no apparent justification for any courier fees.

Tribunal Decision – Courier Fees

29. The Tribunal accepts the position of the Applicant that a courier was used to ensure that service of the Counter-Notice was completed and that it was reasonable for the service of the Counter-Notice to be personally delivered by way of a courier.
30. Regarding VAT, the Tribunal accepts the Applicant's position that the Applicant is registered for VAT.
31. The Tribunal accepts the invoice at page 134 of the bundle and finds that the courier charge of £61.74 (including VAT) payable.

Land Registry Fees

32. The Applicant submitted that when the Notice was received, in order to investigate the tenant's entitlement of a new lease, up to date Land Registry documents for the freehold, headlease and tenant's title were obtained, including relevant leases. Further, updated Land Registry documents were obtained following assignments of the Property and before service of the Counter-Notice.

33. The Respondent submitted that the Applicant's fees are excessive and that the total cost should be £15 made up as follows:

Freehold Official Copies and file plan	£6.00
Leasehold Official Copies and file plan	£6.00
Lease	£3.00
Total	£15.00

34. The Respondent further submitted that VAT should not be charged on Land Registry fees. In reply, the Applicant referred to the Law Society Guidance dated 5 February 2020 which stated that VAT was chargeable to Land Registry fees as the official copy documents were requested by the Applicant's solicitors in order to advise their client. (Page 263 to 275 of the Bundle.)

Tribunal Decision – Land Registry Fees

35. The Tribunal accepts the Applicant's position and in reaching this decision takes into account the Land Registry direct debit account activity at pages 124 to 133 of the Bundle. The Tribunal finds the fees are recoverable.
36. The Tribunal accepts the position of the Applicant that VAT is chargeable on Land Registry Fees in the context of this application as they are treated as part of the overall legal services provided to the Applicant and are therefore properly subject to VAT.

Decision

37. For the reasons set out above, the Tribunal finds that the following costs are payable under section 60 of the Act:

Legal Fees (inclusive of VAT)	£4,200
Valuation Fees (inclusive of VAT)	£900
Land Registry Fees (inclusive of VAT)	£115.20
Courier Fees (inclusive of VAT)	£61,74

Name: Judge Bernadette MacQueen

Date: 17 November 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).