



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

Case Reference : **LON/00BK/OC9/2024/0630**

Property : **Cochrane Close, 27-37 Cochrane Street, London NW8 7NS**

Applicants : **Cochrane Close (Freehold)Limited**

Representative : **Wallace LLP**

Respondent : **EE Investments 1 Limited and EE Investments 2 Limited**

Representative : **Cripps LLP, Edwin Co LLP**

Type of Application : **Section 33 (1) of the Leasehold Reform, Housing and Urban Development Act 1993**

Tribunal Members : **Mr D Jagger MRICS**

Date of Decision : **21 January 2026**

DECISION

Introduction

1. This is an application made by the Applicant under section 91 of the Leasehold Reform, Housing and Urban and Development Act 1993 (as amended) (“the Act”) for a determination of the statutory costs payable by the Applicant, Cochrane Close (Freehold) Ltd the nominee purchaser under section 33(1) of the Act for collective enfranchisement in relation to the property known as Cochrane Close, 27-37 Cochrane Street, London NW8 7NS (“the property”). The property comprises 20 flats.
2. The Applicant’s entitlement to its costs under section 33(1) of the Act arises in the following way. Pursuant to section 91(2)(d) of the Act, the Applicant, served a Notice on the Respondent dated 3 June 2024 collective enfranchisement.
3. On 5 June 2024 the Respondent served a counter notice, which admitted the Applicant’s entitlement for collective enfranchisement in the property. Subsequently, the parties were unable to agree the Respondent’s costs in respect of dealing with collective enfranchisement. The original application to the Tribunal is dated 11 June 2024 in respect of the cost’s payable to the Respondent by the Applicant under s33(1) of the Act.
4. Terms were agreed on the 13 October 2025, at an unknown premium and therefore the only matter to determine are the respondents costs
5. The legal costs claimed by the Respondent are £7,378 and £11,636 plus VAT giving a total figure of £19,014 plus VAT. This varies from the separate invoices.
6. In addition, the respondent claims counsel fees of £500 plus VAT and a valuation fee of £15,000 plus VAT.
7. All of these matters remain in dispute.
8. Two detailed schedules of the respondents legal costs have been provided by the respondent’s solicitors, which we will refer to later. This sets out the level of fee earners and hourly rates claimed in respect of each of them, the attendances claimed for work carried out. The Applicant has submitted a Statement of Case and revised schedule which contends these figures. In addition, there is the respondents response to this statement.
9. The Tribunal issued its standard cost directions on the 14 October 2025 that required the respondents to prepare “*a schedule of costs sufficient for summary assessment*”.

The Respondents proposed costs

10. The respondent has been represented by two sets of solicitors and provided two separate schedules of cost for the work undertaken. The schedules provided are not strictly compliant with the directions, however on balance, the Tribunal considers there is sufficient evidence in order to determine this matter. The cost of all the items was said to be recoverable. For each item of the legal costs, each solicitor provided: the date, activity, description, fee earner, hourly rate and amount.
11. The first set of solicitors instructed by the respondent were Edwin Coe LLP. Legal work was provided variously by a Grade A partner charged at £670 and £620 per hour, and a Grade D costs draftsman charged at £250 per hour. VAT was then added to these figures. The total claim was accordingly £7,378 plus VAT.
12. The second set of solicitors instructed by the respondent were Cripps LLP. Legal work was provided variously by a Grade A partner at £425, a Legal Director at £395 and a Managing Associate charged at £395. VAT was once again added TO these figures. The total claim was £11,636 plus VAT.

The Tenant's proposed costs

13. The applicant has offered to pay legal costs of £3148.80 and £7,498.50, being a total of £10,647.30 plus VAT at a deemed hourly rate of £398 for a partner in the first set of solicitors and £425 in the second. The applicants summary of case provides a detailed reasoning in the calculation of these figures.
14. The Applicants challenged both the hourly rates charged by the respondents solicitors and the time claimed to have been spent.

Relevant Statutory Provision

14. Judicial guidance on the application of section 33 was given in the case of ***Drax v Lawn Court Freehold Ltd*** [2010] UKUT 81 (LC), LRA/58/2009. That case concerned the proper basis of assessment of costs in enfranchisement cases under the 1993 Act, whether concerned with the purchase of a freehold or the extension of a lease. The decision (which related to the purchase of a freehold and, therefore, costs under section 33 of the Act, but which is equally applicable to a lease extension and costs under section 60) established that costs must be reasonable and have been incurred in pursuance of the initial notice and in connection with the purposes listed in sub-sections [60(1)(a) to (c)]. The Respondent tenant is also protected by section 60(2) which limits recoverable costs to those that the Applicant landlord would be prepared to pay if it were using its own money rather than being paid by the tenant.
15. In effect, this introduces what was described in ***Drax*** as a “(limited) test of proportionality of a kind associated with the assessment of costs on the

standard basis.” It is also the case, as confirmed by **Drax**, that the landlord should only receive its costs where it has explained and substantiated them.

16. It does not follow that this is an assessment of costs on the standard basis (let alone on the indemnity basis). This is not what section 33 says, nor is **Drax** an authority for that proposition. Section 33 is self-contained.
17. Further judicial guidance was given by the Upper Tribunal about the relevant principles to be applied in **The Trustees of John Lyons Charity v Terrace Freehold LLP** [2018] UKUT 0247¹ when assessing costs under section 33 of the Act and, essentially, confirmed the principles laid down in **Drax**.

Statutory framework

1. The applicants liability for payment of the respondents costs is governed by sections 33 of the Act. The relevant provisions are as follows:

60. – Cost of enfranchisement

- (a) *any investigation reasonably undertaken- (i) Of the question whether any interest in the specified premises or other property is liable to acquisition in pursuance of the initial notice or (ii) Of. Any other question arising out of that notice.*
- (b) *deducing, evidencing and verifying the title in any such interest:*
- (c) *making out and furnishing such abstracts and copies and the nominee purchaser may require*
- (d) *any valuation of any interest in the specified premises or other property.*
- (e) *Any conveyance of any such interest.*

Reasons for the Decision

18. Before turning to the specific costs we make three preliminary points. The first relates to the time spent by each of the legal teams that was at the heart of this dispute. In assessing a reasonable time to undertake the tasks identified in sections 33(1) we have regard to our considerable experience both as specialist practitioners and as members of this expert tribunal: we can do no other.
19. The second relates to the basis of our assessment. We remind ourselves that we are not assessing costs on either the standard basis or the indemnity basis.

The landlords' costs must nevertheless be reasonable, and this has been described as a limited test of proportionality.

20. Thirdly this tribunal has neither the expertise nor the resources to conduct a forensic and detailed assessment. We can only assess the costs in the round.
21. We deal firstly with the claimed hourly rates. The grades of the fee earners used by the Respondents two sets of solicitors were Grade A for a Partner, Legal Director and Managing Associate and Grade D for Costs Associate. The hourly rates claimed in respect of these fee earners ranged from £670, £620, £425 and £395 per hour. The Cost Draftsman was charged at £250 per hour. The Tribunal's view was that this is a highly technical area of law mainly conducted by firms of solicitors with the requisite knowledge and experience, of which the two solicitors representing the respondent are one.
22. Having regard to the technical nature of the work and the location of the firms, the Tribunal considered the grade of fee earners is reasonable in the sum of **£398 per hour** based upon the County Court Guideline Hourly Rates. Consequently, these are the rates at which the Tribunal determined the Applicants' legal costs. The upper rates of £670 and £620 are considered excessive.
23. As to the work carried out by those fee earners that the Tribunal found to be reasonably incurred.
24. However, we have considerably more difficulty with the time said to have been spent in completing the task identified in section 33(1). The hours undertaken by Edwin Co LLP is 12.8 and that undertaken by Cripps is 29 hours 20 minutes. Each of these is excessive and cannot be justified, even bearing in mind the complexity of the case.
26. Looking at the time claimed in the round, the Tribunal consider that a landlord would only be prepared to pay the following. Legal Fees for Edwin Co LLP £4,378 plus VAT being 11 hours for a Grade A Partner at £398 per hour. Legal Fees for Cripps LLP £9,154 plus VAT being 23 hours for a Grade A Partner at £398 per hour.
27. Accordingly, the Tribunal determined that the reasonable solicitors' legal costs payable by the Applicant is **£13,532 plus VAT** plus £55 Land Registry Search Fee.

Valuation Fees

28. On page 119 of the bundle there is a breakdown of the valuation costs undertaken by Savills. It is stated that the Savills fees are £15,000 plus VAT, although no invoice has been produced. The applicant contends that the fee is disproportionately high, and an acceptable range would be between £2,500 and £4,000. The Tribunal is aware that the building contained 20 flats and there was development potential. However, there must be a large element of duplication terms of the valuation. The Tribunal determines a valuation fee of £8,500 is reasonable.

Counsels Fees

29. The respondent is seeking payment of the shared Counsel fee in the sum of £450 plus VAT. In the circumstances, the Tribunal agrees with this instruction and determines a fee of £450 is justified.

Duncan Jagger Valuer Chairman 21 January 2026

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).