



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

Case Reference : **LON/00AR/LCP/2024/0604**

Property : **Halyards Court and Eldon Court, 12
& 14 Western Road, Romford,
Essex RM1 3GL**

Applicant : **Avon Ground Rents Limited
(Company No. 07399676)**

Representative : **Scott Cohen Solicitors Limited**

Respondent : **Eldon & Halyards Court RTM
Company Limited**

Representative : **N/A**

Type of Application : **To determine costs payable by an
RTM company under s.88(4) of the
Commonhold and Leasehold
Reform Act 2002**

Tribunal Member : **Tribunal Judge I Mohabir**

Date of Decision : **9 April 2026**

DECISION

Introduction

1. Unless stated otherwise, the references in brackets are to the page numbers in the hearing bundle.
2. By application dated 3 June 2024, the Applicant applied to the Tribunal for a determination as to the costs payable to it under s.88(4) Commonhold and Leasehold Reform Act 2002 (“the 2002 Act”) in relation to the Respondent’s claim for right to manage Halyards Court and Eldon Court, 12 & 14 Western Road, Romford, Essex RM1 3GL (“the Property”) .
3. This decision is limited to an assessment of the costs payable by the Respondent to the Applicant.
4. The total costs claimed by the Applicant are the costs incurred by its solicitors in the sum of £2,060.00 plus VAT plus disbursement of £116.05 (inclusive of VAT) [47-51] and £400.00 plus VAT for a management fee [54].
5. On 15 January 2025, the Tribunal issued directions in respect of the application. Both parties have filed their respective written submissions in compliance with the directions. The Tribunal has considered these documents. The points of dispute raised by the Respondent [120-125] are considered in turn below.

Section 88

6. This provides:

“(1) A RTM company is liable for reasonable costs incurred by a person who is-

- (a) landlord under a lease of the whole or any part of any premises,*
- (b) ...*
- (c) ...*

in consequence of a claim notice given by the company in relation to the premises.

(2) Any costs incurred by a person in respect of professional services rendered to him by another 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.

(3)...

(4)..."

Decision

7. Pursuant to the Tribunal's directions, the determination of this application took place on 9 April 2026 and was based solely on the evidence filed by the parties.

Legal Costs

8. As a general point, the Tribunal did not accept the submission made by the Respondent that because this is the third attempt made by it to acquire the right to manage the property, there should be an assumption that a significant amount of the work had already been carried out by the Applicant's solicitors.
9. If such an approach were to be adopted by the Applicant's solicitors, it would be a breach of its professional duty owed to their client and possibly negligent. It was incumbent on them to peruse the claim notice and supporting documentation to ensure that the right to manage was validly being exercised by the Respondent (again) in what is a highly technical area of law. The inference to be drawn is that the Respondent had not done so on two previous occasions. However, the Tribunal does accept that there may be an element of duplication in the costs incurred in respect of this claim.

Proforma & Indemnity Principle

10. The Tribunal did not accept the suggestion made by the Respondent that the Applicant's solicitors proforma bill [53] is a tentative or draft bill or contains a statement of truth confirming that the costs claimed do not exceed the amount the Applicant has been billed or owes.
11. The Tribunal is satisfied that the bill rendered to the Applicant is in the usual format for a solicitor and own client bill. There is no requirement for it to contain a statement of truth. In any event, the very same costs are repeated in the statement of costs provided to the Tribunal for the purpose of this assessment [47-51] and it contains a certification by the fee earner with conduct that the costs do not exceed the amount the Applicant is liable to pay its solicitors. The Tribunal does not propose to go behind this.

Grade of Fee Earner & Hourly Rate

12. The persons with conduct of this matter on behalf of the Applicant were Lorraine Scott (Grade A) at an hourly rate of £275 and Mille Halewood (Grade D) at an hourly rate of £150.
13. In relation to the Ms Scott, the Respondent submitted that her total attendance of 4 hours was excessive because this was the third attempt by it to acquire the right to manage. Therefore, a significant amount of the work had been carried out. For the same reason, only a minimal amount of supervision of the Grade D fee earner was required.

14. This submission was not accepted by the Tribunal for the reasons already set out at paragraph 9 above. The Tribunal was satisfied that this is a complex and technical area of work that does require the knowledge and expertise of a Grade A fee earner primarily.
15. For these reasons, the Tribunal found that the attendances claimed by Ms Scott in relation to the Applicant, the Respondent and work done on documents was reasonable and allowed in full.
16. In relation to the Grade D fee earner, the Respondent effectively repeated the same submission about the total attendance of 6.4 hours being excessive for the same reasons, especially in relation to reviewing (again) the Land Registry and RTM company records as nothing had changed.
17. Similarly, for the reasons given in paragraph 9 above, the Tribunal did not accept that submission. Whilst, with the benefit of hindsight, nothing had in fact changed in the Land Registry and RTM company records, as a matter of good professional practice, this could not be assumed by the Applicant's solicitors.
18. However, the Tribunal found that the attendance of 3.1 hours claimed by the Grade D fee earner in perusing the RTM documents was not reasonable, especially given that the Grade A fee earner had already spent 2.2 hours doing so. Therefore, the Tribunal found that only a further 1 hour of perusal by the Grade D fee earner was required in relation to routine RTM documents. Accordingly, a reduction of 2.1 hours at £150 per hour was made for the Grade D costs amounting to £315.
19. The Tribunal did not accept the Respondent's submission that the hourly rate for the Grade D fee earner was excessive. The guideline hourly rate for a Grade D fee earner in Oxfordshire, where the Applicant's firm of solicitors is based, is £142. The hourly rate claimed is £150. The Tribunal considered that the difference is de minimis. The guideline hourly rates are exactly that and are not intended to be binding rates. Accordingly, in this instance, the Tribunal found the Grade D hourly rate of £150 to be reasonable.

Disbursements Courier's Fees

20. The Respondent submitted that courier fees incurred in the sum of £92.85 was excessive given that the Applicant had used and incurred postal costs in the sum of £6.85.
21. The Tribunal did not accept that submission for the reasons given by the Applicant, being, the claim notice given provided a deadline of 25 August 2021 for any counter notice to be given. A counter notice was sent by Next Day Delivery and First-Class Post on 19 August 2021 to the

Respondent's address for service. Due to not receiving confirmation of delivery, a further copy of the counter notice was sent by Next Day Delivery to the Respondent on 23 August 2021. As confirmation of delivery had still not been obtained, the Applicant instructed a courier to deliver the counter notice by hand on 24 August 2025. In the Tribunal's view, this represented good practice given the sanction for not serving a valid counter notice in time.

22. It follows, the Tribunal found that the courier's fees in the sum of £92.85 was reasonably incurred.

Management Fee

23. The Applicant also claims a management fee of £480 including VAT "in relation to claim notice dated 19 July 2021".
24. The Respondent's primary submission is that there is no practical distinction between the Applicant and its managing agent, Y & Y Management Limited, because Mr Moskovitz is a Director in both companies with significant control. Therefore, nothing should be allowed for the management fee.
25. In the alternative, the Respondent submits that no management agreement has been provided by the Applicant that permits this fee to be recoverable. Furthermore, the RICS management code provides that any work required in relation to an RTM claim notice falls within the ordinary management function of a managing agent.
26. The Tribunal was satisfied that the fact Mr Moskovitz is a Director in both companies is not relevant. They are, as a matter of law, separate legal entities.
27. As to any work carried out by the managing agent in relation to the claim notice, the Tribunal relies on and adopts the same reasoning used by the Tribunal in the earlier case of ***Windsor Court*** (MAN/00BU/LCP/2019/0001) at paragraph 11-13 on the same issue. The Tribunal in that case held that the management fee was recoverable. It found that the absence of the management agreement did not prevent recovery and that the work carried out by a managing agent regarding a RTM claim notice did not form part of its ordinary management functions.
28. In this instance, the Tribunal also found that a fee of £312 including VAT is reasonable for the same reasons.

Fees

29. As the application has been largely successful, the Tribunal also orders the Respondent to also reimburse the Applicant the sum of £110 within 28 days from issue of this decision, being the fees it has paid to have the application issued.

Name: Tribunal Judge I Mohabir

Date: 9 April 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).