FIRST-TIER TRIBUNAL
PROPERTY CHAMBER
(RESIDENTIAL PROPERTY)

Case Reference	**:**	HAV/24UL//OC9/2025/0014
Property	**:**	2 Alexandra Court, Farnborough, Hampshire, GU14 6BP
Applicant	**:**	Sinclair Property Limited
Representative	**:**	Spalter Fisher LLP
Respondent	**:**	Ross Vincent McNeilly
Representative	**:**	None
Type of Application	**:**	Section 60(1) Leasehold Reform, Housing and Urban Development Act 1993
Tribunal Member	**:**	Regional Surveyor J Coupe FRICS
Date of Decision	**:**	17 August 2026

DECISION

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Summary of the Decision

1. **The Tribunal determines that costs of £2,580.00 (including VAT) are payable by the Respondent to the Applicant pursuant to section 60 of the Leasehold Reform, Housing and Urban Development Act 1993.**

2. **The Respondent shall reimburse the Applicant the £114.00 Tribunal application fee pursuant to Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013.**

Background

3. This is an application by Sinclair Property Limited as freeholder of the property known as 2 Alexandra Court, Farnborough, Hampshire, GU14 6BP ("the Property").

4. The Applicant submits that pursuant to section 60 of the Leasehold Reform, Housing and Urban Development Act 1993 ("the Act") costs incurred by the Applicant as a direct consequence of a Notice served by the Respondent pursuant to Section 42 of the Act, in the total amount of £2,580 are reasonable.

5. The parties have been unable to reach agreement over the relevant costs and seek a Tribunal determination of the same.

6. The Tribunal gave Directions on 25 March 2026, listing the steps to be taken by the parties in preparation for the determination of the dispute.

7. The Directions stated that Tribunal would determine the application on the papers received unless a party objected in writing to the Tribunal within 28 days of the date of receipt of the Directions. Neither party objected.

8. Having carefully considered the bundle of documentation submitted, and prior to undertaking this determination, the Tribunal satisfied itself that a determination on the papers remained appropriate.

Applicant's case

9. On 28 April 2025, the Respondent served a Notice pursuant to section 42 of the Act seeking a statutory lease extension. The Applicant proposed a premium of £6,000.

10. On 9 June 2025 and having sought legal and valuation advice, the Applicant served a counter-Notice pursuant to section 45 of the Act, admitting the Respondent's entitlement to a lease extension. The counter-Notice proposed a premium of £18,000.

11. On 11 September 2025, the Applicant was notified by the Respondent's solicitor that the Respondent withdrew the s.42 Notice.

12. The Applicant contends that pursuant to Section 60 of the Act and notwithstanding the withdrawal, the Respondent remains liable for the Applicant's reasonable costs in this matter, comprising £1,440 legal costs, plus £1,140 valuation costs.

13. The Applicant states that Section 60 of the Act provides that "the tenant shall be liable to the extent of the liability incurred for the Landlord's reasonable costs incurred in consequence of the Notice under Section 42 including any investigation undertaken or valuation obtained."

14. The Applicant asserts that the legal and valuation work undertaken by them were both proportionate and directly necessitated by the s.42 Notice, and that the proposed costs align with the standard professional rates for legal and valuation advice.

15. The Applicant's costs are particularised at electronic page [71-72] of the bundle.

16. While the schedule includes legal costs charged at an hourly rate of £300, the Applicant states that a rate of £225 was applied. The work was undertaken at partner level, there being no lower fee-earner grade in the firm. 336 minutes were incurred, rounded down to £1,200 plus VAT. An invoice from Spalter Fisher LLP dated 2 October 2025 in the amount of £1,440 was provided. [55]

17. An invoice from Sinclair Property dated 2 June 2025 for valuation advice in the amount of £950.00 plus VAT was provided. [56]

18. The Applicant submitted evidence of email correspondence between the parties attempting to agree a payment plan in relation to costs.

Respondent's case

19. The Respondent's case was contained within comments entered in the Scott Schedule of costs [145]. No further submissions were advanced.

20. The Respondent submits that the costs claimed are unreasonable. In particular, he contends that legal fees of £225 per hour for work undertaken at partner level is excessive having regard to the routine nature of the matter. He further argues that the draft lease was in standard form, such that the costs attributed to its preparation should be reduced. The Respondent also submits that the time claimed is excessive and appears to include administrative tasks which should not properly be charged at a partner fee-earner rate. Accordingly, he seeks a reduction both in the hourly rate applied and, in the time, allowed.

21. The Respondent claims that the valuation fee "is high and disproportionate. A reduction is sought."

22. The Respondent asserts that a breakdown of the costs was provided at a late stage, limiting the ability to assess and narrow issues. Attempts to engage with the Applicant on a payment plan were not successful. The Respondents asks the Tribunal to take such matters into regard when considering reasonableness.

Determination

23. The Tribunal is satisfied that the legal costs incurred by the Applicant and those of its valuer have been reasonably incurred and are reasonable in amount having regard to the work done.

24. The work involved in an enfranchisement application is complex and specialist, with particular risk attached. The appointment of a solicitor at partner level and with appropriate experience is therefore not unreasonable and neither is an hourly rate of £225 considered inappropriate.

25. The Tribunal accepts the Respondent's argument that some of the administrative tasks could have been undertaken at a lesser hourly rate. However, the Tribunal is satisfied with the Applicant's explanation that Spalter Fisher LLP is a two-partner firm with no additional fee earners. The Applicant has reduced his hourly rate from £300 per hour to £225 per hour. In the round, the Tribunal accepts this to be a reasonable approach.

26. While a valuation fee of £950 plus VAT could be considered on the high side for an application with no marriage value payable, the Respondent has adduced no evidence of alternative rates to substantiate his claim that the total amount should be reduced. Accordingly, and having regard to its own experience in determining such applications, the Tribunal is satisfied that the amount charged is reasonable.

27. The Tribunal is satisfied that the total sum claimed of £2,580.00 is reasonable and proportionate to the issues and complexity of the application.

28. In the circumstances of the case, and in particular having regard to the Respondent's withdrawal of the Section 42 Notice and the Applicant's attempts to reach agreement with the Respondent regarding a payment arrangement, the Tribunal considers it just and equitable to direct that the Respondent reimburse the Applicant the Tribunal application fee in the sum of £114.00.

29. Accordingly, pursuant to Rule 13(2) of the Tribunal Procedure (First-tier Tribunal) (Property Chamber) Rules 2013 ("the 2013 rules"), the Tribunal orders the Respondent to reimburse the Applicant the

£114.00 Tribunal application fee. Rule 13(3) of the 2013 rules permits the Tribunal to make such an order on its own initiative.

DECISION

30. The Respondent shall pay the Applicant £2,580.00 by way of section 60 Act costs, plus £114.00 Tribunal application fee.

RIGHTS OF APPEAL

A person wishing to appeal this decision to the Upper Tribunal (Lands Chamber) must seek permission to do so by making written application to the First-tier Tribunal at the Regional office which has been dealing with the case by email at rpsouthern@justice.gov.uk

The application must arrive at the Tribunal within 28 days after the Tribunal sends to the person making the application written reasons for the decision.

If the person wishing to appeal does not comply with the 28- day time limit, the person shall include with the application for permission to appeal a request for an extension of time and the reason for not complying with the 28- day time limit; the Tribunal will then decide whether to extend time or not to allow the application for permission to appeal to proceed.

The application for permission to appeal must identify the decision of the Tribunal to which it relates, state the grounds of appeal, and state the result the party making the application is seeking.