

**LEASEHOLD VALUATION TRIBUNAL FOR THE LONDON RENT
ASSESSMENT PANEL**

**APPLICATION UNDER SECTION 33 OF THE LEASEHOLD REFORM,
HOUSING AND URBAN DEVELOPMENT ACT 1993**

Applicants: Gertrude Lee and Susan Mary Aldridge
(The Tenants)

Respondent: Newbrook Properties Limited
(The Landlord)

Premises: 19-21 Derby Lodge, East End Road,
Finchley, London N3

Hearing date: 15 November 2005 (Paper Hearing)

Appearances for Applicants:

written representations submitted by Jennifer Israel & Co, solicitors

Appearances for Respondent :

written representations submitted by Messrs Cramer Pelmont, solicitors
(the bill of costs only)

Members of the Leasehold Valuation Tribunal:

Mrs B M Hindley, LLB,

Mr D D Banfield, FRICS,

Mr L Jarero, BSc, FRICS,

Date of Tribunal's decision: 23 NOV 2005

1. This is an application to determine the costs payable under Section 33 of the Leasehold Reform Housing and Urban Development Act 1993.
2. An application under Section 24 of the Act was agreed between the parties and the arranged hearing date was vacated. However, when the issue of costs was not agreed the matter was reinstated at the request of the applicant's solicitors, Jennifer Israel & Co, by letter dated 4 May 2005.
3. Directions, dated 5 October 2005, were sent to Jennifer Israel & Co and to Messrs Cramer Pelmont, solicitors for the respondents.
4. Comments on the respondents' bill of costs were received from Jennifer Israel & Co. Nothing was received from Messrs Cramer Pelmont.
5. On 15 November 2005, as indicated in the Directions, a paper hearing took place after the Tribunal had received, at their request and by fax that morning, a copy of the respondents' proposed bill of costs.
6. Messrs Cramer & Pelmont claimed a total of £8,899. 15p plus £1298. 70p VAT. This was made up of time costs for a senior solicitor at £210 per hour, letters and telephone calls at £21 each, counsel's fees at £1575, valuers' fees at £1478. 15p and costs draftsman fees of £400.
7. Jennifer Israel and Co, in their comments, contended that under the Act no costs could be claimed by a landlord in respect of work done after the service of the counter notice. They also argued that hourly rates included all work and, therefore, letters and phone calls could not be charged separately.
8. Whilst they questioned the need for counsel they were prepared to agree counsel's fee for settling the notice. However, they did not accept as necessary a conference with counsel or the provision of a written opinion.
9. Jennifer Israel & Co also provided a copy of a previous Leasehold Valuation decision (LON/ENF/1254/04) which determined that the costs of preparing the counter notice were not recoverable under the Act.
10. They considered £750 plus VAT a reasonable charge for the required valuation and that the services of a costs draftsman were not required.
11. The Tribunal agreed with Jennifer Israel & Co that an hourly rate charge must include letters and telephone calls. Accordingly, they disallowed all letters and phone calls charged at £21 each.
12. The Tribunal also agreed with Jennifer Israel & Co that 31 March 2004, the date of the counter notice, provided the cut off point for the applicant's liability under Section 33. Accordingly, all costs after this date are disallowed except for a fee of £105 for preparing and checking the bill.
13. With regard to the use of counsel the Tribunal determines that only the conference fee of £472. 50p and counsel's advice fee of £375 should be allowed.
14. The Tribunal agreed with Jennifer Israel & Co that the valuation fee of £1478 15p is excessive and, accordingly, this is reduced to £750 plus VAT.
15. The Tribunal also accepted the argument of Jennifer Israel & Co that the services of a costs draftsman were unnecessary.
16. Accordingly, the Tribunal determines that only costs totalling £3,785. 00p plus VAT are recoverable under the Act.

Chairman

R. D. Handley

Date

23/11/05