

Residential  
Property  
TRIBUNAL SERVICE

**RESIDENTIAL PROPERTY TRIBUNAL SERVICE  
DECISION OF THE LEASEHOLD VALUATION TRIBUNAL**

**Leasehold Reform Housing and Urban Development Act 1993  
Leasehold extension section 42**

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**LON/00BD/OLR/2005/0399, 401, 403, 404, 609/01,  
609/02, 609/03, 609/04, 430, 431, 432, 433**

- Premises:** 3 Beech Court, River Reach, Teddington and Flats 3, 4, 5, 6, 7, 11, 20, 21, 22, 24 and 30 Riverside Court, River Reach, Teddington Middlesex
- Applicants:** Mary Calderwood (3 Beech Court), Dorothy June Wilkin (Flat 3), Andrew Cornwell (Flat 4), Remo Grasso (Flat 5), Robert Batstone (Flat 6), John Nicholas Sutton (Flat 7), Myrddin Lloyd Jones (Flat 11), Ralph Coningham (Flat 20), Ian Alcock (Flat 21), Madhandas D Barai (Flat 22), Marcus Akerman (Flat 24) and John Douglas Hedges (Flat 30).
- Respondents:** Fuad Joseh Kateb, Stella Kateb and Zina Azzouz
- Tribunal:** Adrian Jack (Chairman), J R Humphrys FRICS,  
R D Eschele JP MA BEd
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**Background**

1. The Applicants in these related matters are all long leaseholders. The Respondents are their landlords.
2. By notices served in late 2004 the Applicants sought extensions of their leases under section 42 of the Leasehold Reform Housing and Urban Development Act 1993. The Respondents served counternotices. The Applicants applied to this tribunal for the determination of matters in dispute. A hearing was fixed for 23<sup>rd</sup> and 24<sup>th</sup> May 2006.
3. By letter of 26<sup>th</sup> April 2006, the Applicants' solicitors indicated that, with one exception, all matters between the parties had been agreed. The one outstanding matter was the determination of the Respondents' reasonable costs.
4. The Tribunal on 18<sup>th</sup> July 2006 gave directions for the determination of this outstanding issue. These provided for the Respondents to send to the Applicants by 4<sup>th</sup> August 2006 a detailed statement of costs claimed in

accordance with section 60(1) of the 1993 Act. The Applicants were given until 25<sup>th</sup> August 2006 to make a detailed statement in reply and had then until 1<sup>st</sup> September 2006 to send three copies of a bundle of relevant documents to the Tribunal. The matter was to be determined on paper by the Tribunal on 11<sup>th</sup> September 2006 or shortly thereafter.

5. The parties were warned that non-compliance with the Tribunal's directions might result in prejudice to the case of a party in default.

### Decision

6. Notwithstanding the Tribunal's directions, the Respondents failed to serve a detailed statement of costs by 4<sup>th</sup> August 2006. Under cover of a letter to the Tribunal dated 22<sup>nd</sup> August 2006 the Respondents' solicitors sent a letter dated 23<sup>rd</sup> June 2006 from Mr Grainger of Owen Grainger Associates. The letter indicated that legal fees had been agreed, but gave no explanation for the late service of Mr Grainger's letter.

7. The letter from Mr Grainger points to various difficulties he experienced in valuing the various flats in issue. He concluded:

"I *think* that I ended up charging the equivalent of £720 per flat, plus VAT, etc." (Emphasis added.)

No invoice was produced, nor any details of the time expended by him.

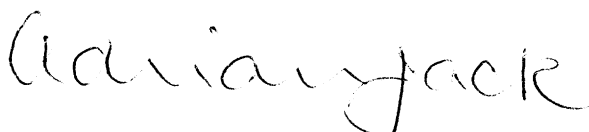
8. By letter of 30<sup>th</sup> August 2006 the Applicants' solicitors (in a letter copied to the Respondents' solicitor) complained that they had not been served with the detailed statement of costs. They submitted that "it seems clear that Mr Grainger is in no position to substantiate his fees and would therefore be grateful if the tribunal would dismiss the Claim for the surveyor's costs."

9. In the Tribunal's judgment the letter of Mr Grainger does not constitute a "detailed statement of costs." The letter does not give the Tribunal sufficient information to form a view on what work was in fact done by Mr Grainger and how much time was expended. The fact that Mr Grainger merely "thinks" he charged £720 per flat (plus VAT) casts doubt on the costs which he claims.

10. No explanation has been given for the Respondents' failure to comply with the Tribunal's directions. The failure has caused prejudice to the Applicants because they have been unable to make a reasoned response to Mr Grainger's letter.

11. The amount claimed by Mr Grainger is cumulatively very large. Twelve properties at £720 gives £8,640 plus £1,512 VAT. The Tribunal is quite sure that this sum (if paid) was excessive, but without details of what precisely Mr Grainger is said to have done it cannot itself assess what a reasonable fee would have been. The Tribunal considered whether it might be able to assess a minimum fee, but here the whole presentation of the evidence as to what was done is unsatisfactory and there is no evidence of time spent nor of Mr Grainger's charge-out rate.

12. The Tribunal assesses the recoverable surveyor's fees at nil for two independent reasons. Firstly, no part of the amount claimed has been adequately established. Secondly, the Applicants have been prejudiced by the Respondents' failure to comply with the Tribunal's directions.



Adrian Jack, Chairman

19<sup>th</sup> September 2006