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FIRST-TIER TRIBUNAL PROPERTY CHAMBER (RESIDENTIAL PROPERTY)

Case Reference

: LON/00AU/OC9/2015/0113

Property

Second Floor Flat, 66 Crouch Hill,

London N8 9EE

Applicant

Candyce Leigh Veal

Marcus John Lloyd

Representative

: Osbornes Solicitors LLP

Respondents

Margaret Maloney

Mary Maloney

Representative

Hodders Law

Type of Application

: Costs on extension of lease

Tribunal

: Judge Nicol

Date of Decision

: 23rd November 2015

DECISION

Decision of the Tribunal

The Tribunal has determined that the Respondents may not recover any costs under section 60 of the Leasehold Reform, Housing and Urban Development Act 1993.

Reasons for Decision

1. The Applicants applied following their request for a new lease for a determination as to any costs recoverable by the Respondents in accordance with section 60 of the Leasehold Reform, Housing and

Urban Development Act 1993 which is attached as an Appendix to this decision.

- 2. The Tribunal issued directions on 28th September 2015, the first requirement of which was that the Respondents should serve a schedule of costs sufficient for a summary assessment and copies of the invoices substantiating the claimed costs. The Respondents have not done so and, therefore, the Applicants have nothing to comment on.
- 3. By letter dated 26th October 2015, and copied to the Respondents' solicitors, the Applicants' solicitors pointed out the Respondents' failure to comply with the directions and sought a costs assessment of nil.
- 4. The Tribunal has received nothing from the Respondents or their solicitors. In the circumstances, the Tribunal is satisfied that it is appropriate to order that no costs are recoverable.

Name: NK Nicol Date: 23rd November 2015

Appendix of relevant legislation

Leasehold Reform, Housing and Urban Development Act 1993

Section 60

Costs incurred in connection with new lease to be paid by tenant.

- (1) Where a notice is given under section 42, then (subject to the provisions of this section) the tenant by whom it is given shall be liable, to the extent that they have been incurred by any relevant person in pursuance of the notice, for the reasonable costs of and incidental to any of the following matters, namely—
 - (a) any investigation reasonably undertaken of the tenant's right to a new lease;
 - (b) any valuation of the tenant's flat obtained for the purpose of fixing the premium or any other amount payable by virtue of Schedule 13 in connection with the grant of a new lease under section 56;
 - (c) the grant of a new lease under that section;

but this subsection shall not apply to any costs if on a sale made voluntarily a stipulation that they were to be borne by the purchaser would be void.

- (2) For the purposes of subsection (1) any costs incurred by a relevant person in respect of professional services rendered by any person shall only be regarded as reasonable 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) Where by virtue of any provision of this Chapter the tenant's notice ceases to have effect, or is deemed to have been withdrawn, at any time, then (subject to subsection (4)) the tenant's liability under this section for costs incurred by any person shall be a liability for costs incurred by him down to that time.
- (4) A tenant shall not be liable for any costs under this section if the tenant's notice ceases to have effect by virtue of section 47(1) or 55(2).
- (5) A tenant shall not be liable under this section for any costs which a party to any proceedings under this Chapter before a leasehold valuation tribunal incurs in connection with the proceedings.
- (6) In this section "relevant person", in relation to a claim by a tenant under this Chapter, means the landlord for the purposes of this Chapter, any other landlord (as defined by section 40(4)) or any third party to the tenant's lease.