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Ms Noëlle K-Dit-Rawé
3 Jefferson House
11, Basil Street
London SW3 1AX

Your ref: RLS/sp/LAD008/4

17 October 2002

(Sent recorded delivery)

Madam/ Sir

= FRAUD ON BEHALF OF ANDREW LADSKY

My Diary 22 November 2008

Service charge demand

Further to your letter dated 7 October, posted 8 October, received 10 October:

1. Your threat to start legal proceedings immediately unless I pay £16,657.05 (which includes the sum of £14,400.19) - by 10 am on Monday 14 October

1.1 Are you aware that Steel Services has applied to the Leasehold Valuation Tribunal for determination of the reasonableness of the charge for major works?

2. Major works contribution: demand for £14,400.19

2.1 As stated in my (recorded delivery) letters of 11 August 2002 and 16 September 2002 to Martin Russell Jones (attached) I require additional information before I can agree to the demand. I have not received a reply to my letter of 16 September.

Since sending the letter I have, on three occasions over the last two weeks, asked the porter to let me have a look at the report. He said to not have it, including, yet again, this morning. He also confirmed that the copy of the report was the same as the one I had looked at previously ie. not costed. As I assume you are aware, Section 20 of the Landlord and Tenant Act (4)(c) states:

"The notice shall describe the works to be carried out and invite observations on them and on the estimates..."

As I pointed out in my letter of 16 September to Martin Russell Jones (MRJ) - contrary to their statement in their 15 July 2002 letter - no copy of the estimates from Killby and Garford was attached to their letter. The only copy attached was from C.I.C Contractors. In other words, as I explained, other than a lump sum, I have not been provided with any details whatsoever on the composition of the costs.

2.2 The interim demand does not comply with the lease, in terms of:

2.2.1 timing

2.2.2 requirement to be certified by a chartered accountant

2.3 MRJ state their client is Steel Services Ltd and are thus, currently, requesting Jefferson House residents to pay a total of £750,000+ on their behalf. [They are not using the contingency fund – (for which they have not released details since 1998) – against the cost of the works. A point I made in my letter to them of 16 September].

Despite numerous requests since 8 January 2002 from the Tenancy Relations Officer at the Royal Borough of Kensington & Chelsea to MRJ, yourself and other parties for proof of the existence of Steel Services – evidence is still lacking.

3. Electricity

The details of electricity charges paid/outstanding attached to your letter contain numerous inaccuracies (attached). I have therefore developed my own spreadsheet (attached) based on the invoices received from MRJ and my records of payments made to date.

Points to note:

- 3.1 I am still awaiting an explanation as to why the quarterly standing charge suddenly increased by 59% from the beginning of 2000 (£19.95 vs. £12.58). (attached my letters to MRJ of 10 July 2000 and 10 September 2000 and copy of electricity charges).

This amount was charged for the next 15 months – up 28 March 2001 when it then increased to 64% relative to 1999.

MRJ replied that “... *the standing charge varies to the period that the account covers* (which is what I would expect, but this has not been the case) *and is the figure charged by London Electricity*”. As stated in my reply to MRJ of 10 September 2000, London Electricity told me that they had actually lowered their charges by c. 18%.

As detailed in the same letter, based on the rates I obtained from London Electricity, I concluded that I have been overcharged – and asked for an explanation.

Interestingly, I note that since the beginning of year 2002 the amount of the standing charge has varied: Q1: £19.85 (representing a 4% reduction relative to the previous quarter); Q2: £17.79 (representing a further 10% reduction).

This is a totally new departure as, since MRJ (previously known as Spyer Johnston Evans) took over the management of the block in 1989, the amount of standing charge they have charged me has been a fixed amount which has gone up every so often – as evidenced, for example, by their practice for the period since Q1 2000 to Q1 2001 when the amount was a constant £19.96.

- 3.2 Statements of electricity charges have not been sent:

- I have no invoice for the period 21 October 2000 – 18 January 2001 – and have not therefore paid (contrary to the information you have in the statement attached to your letter).
- I did not receive an invoice for the period 12 July 2001 to, what MRJ states as end date, '21 January 2002'. As I have just realised, this end-date is inconsistent with the next invoice which states a start date of 9 January 2002. I requested a copy of the invoice from MRJ in a letter dated 11 August 2002 (attached)

In light of this - at this stage - I am only paying the cost of the units for the period 15 April 2002 – 8 July 2002, or **£19.77** for which I enclose **Nat West cheque #1367**

4. Ground rent

I do owe **£75** and enclose **Nat West cheque #1365**

5. Half yearly service charge

- 5.1 I have **£1,201.42** outstanding for period 25 December 2001 – 24 December 2002. I note that this represents an **increase of 18%** (£600.71 vs. £509.70).
- 5.2 On 19 February 2002 I sent a (recorded delivery) letter to MRJ bringing to their attention the fact that I had not received my service charges for the period ending

December 2001. This letter was not correctly interpreted leading to a time consuming exchange of letters.

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5.3 On 12 July 2002 I requested (by recorded delivery) a copy of the 2001 year-end accounts. To date I have not received the accounts. In the booklet, 'Long Leaseholders, Your rights and responsibilities', published by the DTLR, the section on the service charges states:

"The summary should be supplied... within six months of the end of the accounting period..."

Hence, the year-end accounts are significantly overdue.

5.4 As detailed in previous correspondence with MRJ (attached letter of 6 May 2001) I have deducted the sum of **£293.75 for Frank Morris Associates** (their invoice attached), the firm of chartered surveyors I was eventually forced to employ in order to get the works outside my windows redone to a reasonable standard. The fact that MRJ had the works redone proves the point.

6. Service charge balancing charge

Amount outstanding is **£307.67** – covering year-end 1999 and 2000.

7. Reserve fund

7.1 The amount outstanding is **£391.20** – covering 25 December 2001 – 24 December 2002. I note that the amount charged has **increased by 54%** (£195.6 vs. 127.14).

7.2 In my letter of 16 September to MRJ I requested information on the current size of the contingency fund (details were last provided in 1998). To date, I have not received a reply.

8. Down payment until clarifications are provided

8.1 I enclose a Nat West cheque #1368 for **£1,900.29** (£1,201.42 + £307.67 + £391.20)

8.2 Awaiting clarification on electricity charges in order to settle account

8.3 I reiterate my request for the 2001 year-end accounts, as well as details of the contingency fund

Regards

Noëlle K-Dit-Rawé

Enclosures:

1. Spreadsheet, analysis of electricity charges
2. My letter to MRJ of 16 September 2002
3. My letter to MRJ of 11 August 2002
4. My letter to MRJ of 10 September 2000
5. My letter to MRJ of 10 July 2000
6. My letter to MRJ of 6 May 2001, including invoice from Frank Morris Associates
7. Nat West cheque #1365 for £75.00
8. Nat West cheque #1367 for £19.77
9. Nat West cheque #1368 for £1,900.29

