

Mrs Sheila Sanz  
Clerk to the Tribuna  
**Leasehold Valuation Tribunal**  
London Rent Assessment Panel  
10 Alfred Place  
London WC1E 7LR

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

**Via recorded delivery**

Your Ref: LVT/SC/007/120/02

12 August 2003

Dear Mrs Sanz

**Flats 1-35 Jefferson House, 11 Basil Street, London SW3**  
**Landlord and Tenant Act 1985 – Section 19 (2a)**

**Supporting information for**

**'Tenant's application for an order for the limitation of service charges arising from landlord's costs of proceeding (Section 20C Landlord and Tenant Act 1985)**

Further to my letter of 30 July 2003 in which I stated "In view of your judgement of 17 June 2003, I assume that there will be no obstacle in your making a 20C Order preventing the landlord, Steel Services, from imposing their legal costs on the service charges for Jefferson House"<sup>1</sup> you have sent me an application form to complete<sup>2</sup>. Given the Tribunal's decision of 17 June 2003, I assume that this is just for your administrative purposes.

I am ordering this letter as per your list of "Supporting information to be provided"

- Copy of the service charge demanded (see attached Martin Russell Jones (MRJ) letter to the residents of 15 July 2002, and their invoice to me demanding payment of £14,400.19 for the major works)<sup>3</sup>
- I do not know how much the Applicant, Steel Services/Mr Ladsky is intending to charge to the residents. All I know is that, at the 28 April 2003 hearing it was clear that the Applicant intends to do this
- A copy of the LVT's Decision, Ref LVT/SC/007/120/02, dated 17 June 2003 is attached<sup>4</sup>. As the Tribunal did not provide a global view of the impact of their decision on 'the global sum demanded' I had to ask my surveyor, Mr Tim Brock, who acted for me during the LVT hearings, to calculate the monetary impact. (See attached his letter of 31 July 2003 addressed to me<sup>5</sup>, and my letter to District Judge Wright, West London County Court, dated 9 August 2003<sup>6</sup>)
- The statement of the matters on which my application is based is contained in the above documents. However, in summary:

In August 2002 the Applicant made an application to the LVT to determine the reasonableness of the global sum demanded – a total of £564,467.00 (excluding VAT and management fees)

As a result of a four day hearing, the LVT:

- Agreed on the 5<sup>th</sup> February 2003 hearing that I had not been provided with a properly costed version of the specification and, therefore, agreed to my request for postponement of the hearing. (It took place on 13 and 14 March 2002 and 28 April)

(I requested from MRJ – in writing - a copy of the priced specification six times between 11 August 2002 and 12 January 2003. This included the three occasions when I requested the LVT's assistance in

<sup>1</sup> My letter to LVT, dated 30 July 2003

<sup>2</sup> Completed application

<sup>3</sup> Letter from Martin Russell Jones, dated 15 July 2002, as well as invoice addressed to me

<sup>4</sup> Decision by the LVT, Ref LVT/SC/007/120/02, dated 17 June 2003

<sup>5</sup> Letter from Mr Tim Brock, dated 31 July 2003

<sup>6</sup> My letter to District Judge Wright, West London County Court, dated 9 August 2003

obtaining the priced specification from MRJ (on 22 October 2002, 25 November 2002 and 12 January 2003) as I copied MRJ on these letters. (I also asked the LVT for its assistance on a fourth occasion: my letter of 18 December 2002). The LVT had, in its directions, stated that the Applicant had to meet residents' requests by 17 December 2002 so that residents could have their own advisers review the specifications. A copy of the priced specification was eventually hand-delivered to my flat...36 hours before the 5<sup>th</sup> February hearing!)

- (Based on my surveyor's assessment) the LVT has disallowed the global sum of £129,958.00 (i.e. 23.02% of the original sum demanded). (This has now been removed by the Applicant from the original sum – see Mr Tim Brock's letter)
- (Based on my surveyor's assessment) the LVT has stated that due to lack of/insufficient specification, it is unable to make a decision/ recommendation on numerous items. In total these amount to £144,745.87 (or 25.65% of the original sum demanded). (As you will see in my letter to Judge Wright, the Applicant has arbitrarily reduced the sum by £34,849.00. 'Arbitrarily' as a Section 20 Notice under the Landlord & Tenant Act 1985 has not been issued. Hence, the Applicant has not complied with the consultation proceedings as detailed under the Act).
- The Applicant was refusing to use the contingency fund of £141,977.00 as contribution towards the cost of the works. The Tribunal has stated (under Point 63) that the contingency fund should be used as contribution towards the major costs: "The wording of the clause relating to the contingency or reserve fund in the lease is unambiguous. It refers to costs, expenses and outgoings "not being of an annually recurring nature" and, as such surely envisages the type of works proposed at the subject property... the Tribunal considers it inequitable that this fund should not be used in part to fund the works". (To this date, the Applicant is refusing to implement this recommendation by the LVT)

In addition to this, as noted in Mr Tim Brock's letter of 31 July 2003, "...it is clear from the comments made by the Tribunal that the specifications and method of organising these works are below standard".

The following are examples of comments in the LVT's report of 17 June 2003:

Page 7 of the LVT report, point 46 (in relation to the specifications overall): "The Tribunal was frustrated by the lack of detail in the specification and in Mr Gale's evidence. Works were not clearly identified, were not measured where they clearly could have been, and there was some elements of duplication. Some items were not specified at all e.g. the types and capacity of the boilers"

Page 6 of the LVT report, point 38: "Mr Gale accepted that there was no boiler specification in the tender document" (NB: an item for which the Claimant expected the residents to pay over £80,000).

Page 11 of the report, 4<sup>th</sup> paragraph (in relation to the boiler) "...The Tribunal does not consider that it has sufficient information in order to make a proper judgement and therefore makes no determination in respect of the boilers... in the Tribunal's view, alternatives and costings should have been explored"

Page 12 of the report, last paragraph (in relation to the lift): "The recommendation of J Bashford and Associates... to prepare a specification and drawings appeared to have been ignored by Mr Gale in his own specification.... The specification prepared by Mr Gale is therefore insufficiently detailed to allow for a quotation for this work, and he conceded during the Hearing that there may have been an element of duplication. Further, no proper explanation has been given for the increase from £27,300 to £60,000 over a matter of months"

Page 15 of the LVT report, penultimate sentence: "...the Respondent and other tenants could not be forced to contribute in the case of improvements and/or works not determined as reasonable by the Tribunal.."

The evidence is there. The facts speak for themselves. The Applicant cannot be allowed to put on the service charge for Jefferson House the costs it incurred as a result of the action it pursued through the LVT.

The Tribunal has the power to get this decision implemented now and I trust that it will do so.

Yours sincerely

Noëlle K-Dit-Rawé  
Other enclosure: Copy of my lease (as requested on the form)