

District Judge
West London County Court
43 North End Road
West Kensington
London W14 8SZ

Ms N K-Dit-Rawé
3 Jefferson House
11 Basil Street
London SW3 1AX
Tel:

(Via courier on 23 June)

22 June 2003

Dear Madam/ Sir

Your Ref: Claimant No WL203 537 - Steel Services Limited

1. **Your Court cannot currently proceed with the action in relation to the sum demanded for the 'major works'**

1.1 **The LVT has significantly reduced the global sum demanded.**

Further to my letter to you of 17 June 2003, I have now received the "Decision by the Residential Property Tribunal Service on application under section 19(2B) of the Landlord and Tenant Act 1985, as amended", following Steel Services/Martin Russell Jones' application to the Tribunal to determine the reasonableness of the global sum demanded for the major works:

(i) **A substantial amount of the global sum demanded by the Applicant has been disallowed by the LVT as being unreasonable.** For example, see attached:

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

Page 11 of the report, 4th 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 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"

(ii) **Further 'substantial' amounts have been identified as 'improvements' and are not therefore chargeable under the terms of the lease.** For example, see attached:

Page 6 of the LVT report, point 42: "The works were to create a proper location for the porter in the main entrance and "this was something new"". Page 6, Scott Schedule, item 14.10: the Tribunal has consequently disallowed £20,000, considering the porter's desk an improvement.

Page 6, Scott Schedule, item 14.06: the Tribunal has disallowed £8,000, considering tanking of the cellar an improvement.

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.."

As I am not contractually liable under the terms of my lease to pay these amounts, Cawdery Kaye Fireman & Taylor (CKFT), Steel Services/Mr Andrew Ladsky's solicitor, are *in breach of their professional code* by demanding substantial sums of money that are not properly due and payable ¹.

1.2 The LVT has also decided that the contingency fund must be used as contribution towards the (legitimate) part of the costs

Steel Services/Martin Russell Jones were refusing to use the contingency fund, or reserve fund, as contribution towards the major costs. The Tribunal has rejected this position – see attached:

Page 6 of the report, point 43: *“The contingency fund was also a point of issue. The Tribunal was advised that it contained £140,977, and the Respondent submitted that this should be utilised in part for the proposed works”*

Page 14 of the LVT report, point 62: *“The Tribunal draws the parties’ attention to the RICS Code to which property managers should subscribe and abide by, as a matter of good practice. Section 10 of the Code covers reserve funds. A reserve fund is referred to as “a pool of money created to build up sums which can be used to pay for large items of infrequent expenditure...”*

Page 14 of the LVT report, point 63: *“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”*

1.3 The original claim against me of £14,400.19 for the major works is therefore rendered null and void

The applicant's claim that I owe £14,400.19 for the major works (representing 1.956% of the global sum demanded, including VAT and management fees) is consequently null and void.

1.4 The judgement remains open to appeal to the Lands Tribunal

Both myself and the Applicant have until 8 July to consider making an application for leave to appeal to a Lands Tribunal.

2. Your Court is subjecting me to double jeopardy

I am astonished that your Court has persisted in allowing duplicated action to continue in spite of my telling your Court on numerous occasions since 10 December 2002 that Steel Services was pursuing exactly the same action in the LVT – at the same time as it was pursuing the action in your Court.

The Claimant has mischievously pursued this action in two separate jurisdictions in order to intimidate and bully me into paying. This is an abuse of the legal process.

3. The Claimant's managing agents, Martin Russell Jones, is refusing to provide me with copy of invoices from London Electricity as proof of the sums they are demanding of me

In the claim filed in your Court in December 2002, the Claimant was requesting payment of the standing charge for electricity.

As stated in my defence at the time, I have been withholding payment as, in Q4 (from 13 Oct 1999 to 17 Jan 2000), it suddenly increased by 59% to £19.96. It remained at this level for the next 17 months. It

¹ CKFT first threatened legal proceedings against me in a letter dated 7 October 2002, posted 8 October, received 10 October, demanding that I pay £14,400.19 by 10 a.m. on 14 October 2002, otherwise they were *“instructed to immediately commence proceedings for recovery of the debt”*. To further scare me into paying, in their last paragraph, CKFT stated *“Our client also reserves the right to take action to forfeit your lease for breach of covenant and to communicate with your mortgagee (if any), if such action becomes necessary”*.

then increased in the next quarter ie. from 28 March 2001 to £20.68 - making it a 64% increase relative to Q3 1999.

When I contacted London Electricity in 2000 they told me that, rather than going up, the standing charge had in fact gone down.

In their replies Martin Russell Jones (MRJ) have stated that what they are charging me "...is the figure that is charged by London Electricity." They have also stated that "... the standing charge varies according to the period that the account covers (which is what I would expect but, as supported by the evidence, this has clearly not been the case – and, indeed, has never been the case since MRJ took over the management of the block in the late 80's).

Given their above reply, on *four* occasions I have requested copy of the invoices from London Electricity for the periods referred to above (on 22 March 2003, 15 April 2003, 15 May 2003, 1 June 2003). This is in addition to *five* other occasions when I have raised this matter. My letters of:

- 10 July 2000 (to MRJ)
- 10 September 2000 (to MRJ)
- 6 May 2001 (to MRJ)
- 17 October 2002 (to CKFT)
- 16 December 2002 (in my defence in response to the claim form from your Court)

This makes it a total of *nine times* over a three year period.

Why are they not complying with my request?

Likewise, on several occasions, including in my letter to CKFT of 17 October 2002, and in my defence to the claim issued by your Court, I have stated that I have not received an electricity invoice for the periods of 21 October 2000 to 18 January 2001, and 12 July 2001 to 21 January 2002 – and therefore requested them. To date, this request is still outstanding.

Why are they not complying with this request either?

I have the right to ask for proof of what I am being asked to pay and it is not unreasonable of me to request this proof given the circumstances².

I will have this letter biked over to you first thing tomorrow morning. Given its contents, I plan to phone your Court tomorrow afternoon to determine your position with regards to the hearing set for 14h00 on Tuesday 24 June which, 'it seems', you are expecting me to attend. (See also my 'special delivery' letter to you of 17 June 2003).

Yours faithfully,



N.K-Di-Rawé

Encs. Extracts from the Leasehold Valuation Tribunal decision (LVT/SC/007/120/02)

² **Trustee accounts** - They are also not addressing my request of 23 May 2003 and 1 June 2003 to send me copy of the statements issued by the bank(s)/building society(ies) in which the trust fund is held for the period starting December 2002 – as per my rights under the Landlord and Tenant Act 1987.

In his 24 February 2003 report to the LVT, Mr Brian Gale included a chronology of events that was not true, including, among others, the statement that, by November 2002, I was the only resident objecting to paying for the major works – and that "*all the others agreed to pay or had paid*". Given that the Claimant's claim in your Court in December 2002 listed 11 residents representing 14 flats (or c. £320,000 of the global sum demanded), this is clearly not true.

In addition, at the LVT hearing on 28 April 2003, Mr Andrew Ladsky stated that 31 or 32 of the 35 tenants have paid their contribution (see attached page 8 from the LVT report).

Given these statements by the Claimant, I therefore wish to know: What sums have been paid in the trustee account(s)? When were these sums paid?