

Mr D Stewart  
Clerk to the Tribunal  
Leasehold Valuation Tribunal  
London Rent Assessment Panel  
10 Alfred Place  
London WC1E 7LR

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

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

22 October 2002

David Stewart did NOT acknowledge my letter.  
As I had copied CKFT on my letter - and had asked the Tenancy Relations Officer at Kensington & Chelsea housing to pursue the issue about the identity of 'my landlord' - he had received a 1 Aug 02 'reply' from David Fireman, CKFT, in which he LIED as he claimed "we confirm that Steel Services is an existing entity", The outcome of my 22 Oct 02 letter was that, on 5 Nov 02, CKFT sent a BVI 'Certificate of Good Standing' for SS. Amaziing what you can buy in the BVI for a few dollars!

**(Delivered by bike on 22 October 2002)**

**This letter and supporting correspondence have been mailed to: CKFT Solicitors, 25-26 Hampstead High Street, London NW3 1QA**

Dear Mr Stewart

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

- 1 **Evidence suggests that Steel Services does not exist and cannot therefore pursue an application to the LVT – nor demand money from Jefferson House residents**
  - 1.1 I wish to draw your attention to the attached **letter from the British Virgin Islands Register of Companies, dated 8 August 2002** which states that:
    - **Steel Services Limited has been struck-off their register**
- It gives as company number IBC No 199 568
- This is the same number as shown on the Land Registry (Rosebrae District Land Registry) for Jefferson House.
- 1.2 We were never provided with an address for Steel Services in the British Virgin Islands (which, evidently, was the true domicile for the company). Instead, we have been provided – intermittently – with an address in Jersey.
  - 1.3 Up to March 2001 our service charges stated that Steel Services, the landlord, was domiciled in Jersey at PO Box 258, Malzard House, 15 Union Street, St Helier JE4 8TY
  - 1.4 Since March 2001 we have been provided with a raft of addresses for Steel Services:

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- 7 June 2001 MRJ wrote to the residents stating that correspondence for Steel Services should be sent to their address **5 Watford Way, Hendon Central, London NW4 3JL**
- 1 October 2001 MRJ replied to Nucleus (local Citizen Advice Bureau) that the address for Steel Services is **25-26 Hampstead High Street, London NW3 1QA**
- 14 November 2001 MRJ replies to Nucleus saying that the address for Steel Services is at their care, at **5 Watford Way, Hendon Central, London NW4 3JL**  
(Hence, the address had changed again in the space of 6 weeks!)
- 29 April 2002 My service charges give the address for Steel Services as being in Jersey: **PO Box 258, Malzard House, 15 Union Street, St Helier JE4 8TY**

- 1.5 **The Jersey Financial Authorities have confirmed in August 2002 that they do not have a company on the Jersey Register with the name Steel Services**
- 1.6 Nucleus and Sandy McDougall, the Tenancy Relations Officer at the Kensington & Chelsea Town Hall have, in vain, over the last 12 months been trying to get information on the ownership of the block. - in accordance with Section 2 of the Landlord and Tenant Act 1985 (see attached various correspondence)
- 1.7 Twelve months on, the only information that has been provided by MRJ (their letter of 25 January 2002) is that the names of the directors are F.M.C. Ltd, domiciled in the British Virgin Islands. In his reply of 5 March 2002 to MRJ (attached), Sandy McDougall emphasises that this reply does not achieve the purpose of the Act.
- 1.8 On 1 August 2002, Cawdery Kaye Fireman & Taylor (CKFT), solicitors, wrote to Sandy McDougall stating that *"...Steel Services is an existing entity (!!!) and we have provided you with all the information we have so far been instructed to supply..."* (attached)
- 1.9 Sandy McDougall replied to CKFT letter on 29 July 2002 (attached) highlighting that Steel Services cannot be found, and requesting information on the name and address of the landlord for Jefferson House. He also sent the same letter to MRJ on 12 August 2002 (attached)
- 1.10 On 3 September Sandy McDougall wrote to MRJ requesting the company registration number for Steel Services, address and asks MRJ to explain their non-compliance with its duties under Section 1 of the Landlord and Tenant Act 1985 (attached)
- 1.11 On 8 October Sandy McDougall writes to MRJ stating that **Companies House have confirmed that Steel Services is not registered with them.** He states that MRJ are in breach of their obligations and therefore liable for prosecution (attached). He requests the name of the Partner appropriate for service of proceedings

Therefore, in light of the above, I cannot see how:

- 'Steel Services Limited' can pursue an application to the Leasehold Valuation Tribunal
- MRJ can expect to collect on behalf of their "client" £750,000+ (more will, in all likelihood, be asked) from Jefferson House residents

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2 **There is also uncertainty as to the identity of the freeholder**

We have always been led to believe that Jefferson House Limited is the freehold owner of the block – and features as such on the Land Registry (see attached, from 26 March 2002).

(The Land Registry, at 26 March 2002, gives Steel Services as the leasehold owner, as well as Canso Properties and Patrick May O'Connor. Patrick May O'Connor was a director of Langhaven Holdings, previous headlessor for Jefferson House. Steel Services acquired the headlease in November 1996) (attached)

By Portner and Jaskel

However, when a resident was issued with a writ in February 2002, the document states: **Steel Services Limited** - with the address in the British Virgin Islands – **as the freehold owner** (attached)

Has change of ownership taken place?

3 **The letter I received from MRJ, dated 15 July is not - under the Landlord and Tenant Act 1985, Section 20 - a valid notice**

3.1 As an introduction to this section, I would like to emphasise that I do not dispute that works are required at Jefferson House – at least, from what I can see, the common parts need to be redecorated.

3.1.1 What I dispute is the amount which currently, is:

- nearly half the amount insured for the building (see attached Norwich Union insurance policy which gives a declared value of £1,785,000 at December 2000)
- 10 times that of previous refurbishments

3.1.2 **It is also my belief – at this stage, given the lack of evidence - that this excessively high sum is due to the intention to build an extra floor for a penthouse flat and associated costs for, which, of course, I am not liable.** The fact that a three-year old planning application was renewed in February of this year indicates a clear intention to build the penthouse flat. (I should add that this planning application is in breach of the lease as the addition of an extra floor will lead to the building exceeding the maximum height specified in the lease)

3.2 The attached letter from MRJ of 15 July does not provide a description of the works i.e. no justification for the works has been shown. The summary of tender (which has been tempered with) attached to the letter is not, as stated, from Killby and Gayford. I pointed this out in my letter of 16 September 2002 to MRJ (attached)

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

- timing (it should be either in June or in December)
- requirement to be certified by a chartered accountant

3.4 **The reserve fund – on which we have had no information since 1998 – has not been used as contribution towards the cost. Why not?**

3.4.1 In 1998 the fund was in excess of £100,000. What is the current amount?

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3.4.2 **What has happened to the fund?**

3.5 The 15 July 2002 letter from MRJ states that the sum quoted may be exceeded due to "*subsequent changes in the specifications*". This is totally unacceptable. I read in this statement an overall intention to eventually charge the residents a sum well in excess of £1 million – as indicated in MRJ's letter of 26 March 2002 (attached)

3.6 I did not get a reply from MRJ to my letter of 16 September. Instead, I received a threat that they would instruct a solicitor to start legal proceedings (attached)

**4 Although it had applied to the LVT, Steel Services instructed CKFT, solicitors, to threaten me with starting prosecution immediately unless I paid, among others, £14,400.19 (my share of the costs being contested) by 10 am on Monday 14 October 2002**

4.1 Steel Services has attempted to usurp the jurisdiction of the LVT (attached). I have replied to the letter on 17 October, including reiterating the questions I asked MRJ in my letter of 16 September (attached)

**5 In my view, MRJ does not have the competence nor, on the face of it, the integrity to manage the refurbishment. My reasons – in addition to some of the above points:**

5.1 Gross mismanagement of the reserve fund: tenants who sold their flat in recent years have not been made to pay their fair share of the 'wear and tear' of the building

5.2 Gross mismanagement of the building: letting it deteriorate to the extent where it, allegedly, requires this amount of spend

5.3 MRJ statement of my outstanding charges – which they provided to CKFT when they wrote me their threatening and bullying letter on 7 October – is full of inaccuracies (attached)

5.4 Lack of control over the quality of work of contractors: I had to employ a firm of chartered surveyor (Frank Morris Associates) to have works outside my windows redone to a reasonable standard (attached). The fact that MRJ had the works redone, proves the point.

5.5 Mismanagement of the maintenance contractors for the lift, and mismanagement of the supporting documentation (as pointed out by CIC Contractors in their condition survey of February 2002 – which I highlighted in my letter to MRJ of 16 September 2002)

5.6 The insurance document for the building, dated 31 December 2000 states that the insurance premium is £1,893.12, but the accounts for year-end 2000 state £3,050.31 (attached)

- MRJ replied to Nucleus that there was another insurance policy but never provided evidence of this. (They sent an engineering report instead) (see attached letter from Nucleus)

5.7 Based on the 31 December 2000 copy of the insurance, I suggest that, at a declared value of £1,785,000, the building is grossly under insured

- 5.8 The copy of the insurance for the building states the address as SW1. (It is in fact SW3) 35
- 5.9 I believe that I am being overcharged on the standing charge for electricity - as detailed in my letter of 17 October 2002 to CKFT. To date I have not received a satisfactory explanation.
- 5.10 To my knowledge, MRJ does not have, in relation to our block:
- Standards of performance
  - Complaints procedures
  - Customer care policy and procedures
  - Leasehold/ resident information booklet
- (Notably, although it is not under obligation to do it, MRJ is not a member of the Association of Residential Managing Agents who operate under a code of practice).

In conclusion, I would appreciate the following assistance from the Tribunal

- 5.11 Clarification of the identity of the owners of Jefferson House, including names of the directors and secretary
- 5.12 Identification of all the flats in the block that are owned by individuals/companies connected with the headlease and the freehold – so that the residents can form a recognised Residents Association i.e. status endorsed by the Rent Assessment Committee.
- 5.13 To obtain a copy of the specifications for the proposed works – with costings
- 5.14 To obtain an undertaking that the penthouse flat will not be built
- 5.15 To obtain a copy of the 2001 accounts, as well as details of the reserve fund
- 5.16 To take into account the above evidence when considering the suitability of MRJ to manage the proposed refurbishment and, concurrently, to continue in their role as managing agents for the building

Thank you for your consideration

Best regards

N K-Dit-Rawé

*Enclosures:*

- 1 Government of the British Virgin Islands, Register of Companies, 8 August 2002
- 2 Nucleus, 5 November 2001 letter to Martin Russell Jones

- 3 MRJ reply to Nucleus, 7 November 2001, stating they do not know the names of the directors
- 4 Sandy McDougall, Tenancy Relations Officer, RBK&C, 8 January 2002
- 5 MRJ reply, 14 January 2002, that they do not have the names of the directors
- 6 Sandy McDougall, letter to Steel Services, 17 January 2002, requesting information
- 7 MRJ reply, 25 January 2002, that the names of the directors are F.M.C. Ltd, British Virgin Islands
- 8 Sandy McDougall, 5 March 2002, emphasises that giving F.M.C. as being the names of the directors and secretary for Steel Servies does not achieve the purpose of the Act
- 9 Cawdery Kaye Fireman & Taylor (CKFT), 1 August 2002, "...*Steel Services is an existing entity...*"
- 10 Sandy McDougall, 29 July 2002, letter to CKFT stating cannot find Steel Services, requests name and address of landlord for Jefferson House
- 11 Sandy McDougall, 12 August 2002, letter to MRJ, stating cannot find Steel Services, requests name and address of landlord for Jefferson House
- 12 Sandy McDougall, 3 September 2002, request company registration number for Steel Services, address and asks MRJ to explain their non-compliance with the Act
- 13 Sandy McDougall, 8 October 2002, Steel Services cannot be found by Companies House and states that MRJ is liable to prosecution
- 14 Land Registry, Jefferson House Limited
- 15 Central London County Court, Claim # CL 201 770
- 16 Land Registry, Steel Services + Patrick May O'Connor + Canso Properties
- 17 MRJ, 15 July 2002 asking for £14,400.19
- 18 My reply to MRJ, 16 September 2002 requesting details as no justification for the works has been shown
- 19 Norwich Union insurance policy, 31 December 2000
- 20 MRJ, 26 March 2002 letter stating the cost of the works is likely to be in excess of £1 million + VAT + their fees
- 21 MRJ letter, 20 September 2002, threatening me with legal proceedings
- 22 CKFT, 7 October 2002 threatening legal proceeding on Monday 14 October by 10 am unless I pay all outstanding charges, including £14,400.19
- 23 My reply to CKFT, 17 October 2002
- 24 Identification of inaccuracies in MRJ statement of my outstanding service charges
- 25 Invoice from Frank Morris Associates and related correspondence with MRJ
- 26 Year-end accounts 2000
- 27 Nucleus, 29 October 2001, highlighting that the document sent by MRJ is not an insurance document, but an engineering report
- 28 Completed form for the LVT pre-trial 29 October 2002