

Lessees at the mercy of 'mafia' headless and managing agents

1 July 2002

PLEASE NOTE (added at August 2005):

(1) My knowledge of mafia activities is limited to what is reported in the media

(2) I am **NOT** suggesting that Steel Services and Martin Russell Jones are involved in these activities.

The reason for my using this word is that the activities in which they have engaged i.e. bullying, intimidation, dishonesty etc., remind me of practices I have seen employed by the mafia in, among others, documentaries.

Hence, my use of inverted commas around the word 'mafia'

Mr Ken Livingstone, Mayor of London
Romney House
43 Marsham Street
London SW1P 3PY

1 July 2002

Dear Mr Livingstone

We are facing a horrendous situation in our block of flats due to, what is probably best described as: a 'take-over by a mafia mob', and need your help.

Currently, our most pressing concern is the prospect of residents each having to pay, on average, £40,000+ for alleged refurbishment of the block. As this would amount to a spend that is more than 10 times that of previous refurbishments, we strongly believe that it is connected with a planning application to build an extra floor for a penthouse flat – for which we should not have to pay. (The planning application also happens to be in breach of our lease).

It 'may' also be that part of our money will be 'siphoned' off into the pockets of the headlessor (Steel Services ?) – and possibly managing agents (Martin Russell Jones).

We pay taxes to support a massive government infrastructure yet, wherever we have turned to, the response has ranged from: "yes, we are meant to help you, but we don't know how" to being totally unhelpful – even obstructive.

One thing that is consistent though, is the way we get pushed away: "Get a lawyer!"

When we approach lawyers they, in effect, expect us to write them a blank cheque. They argue that the cost of landlord-tenant disputes is impossible to predict. Their view – given the 'mob' we are dealing with – is that we should be thinking of initial costs of c. £20,000.

Given this situation, and as the law firms expect each resident to be signing a letter which holds us individually responsible for their costs – including any litigation costs that the headlessor will pass on to us (with the help of an obliging legal system) – the residents are not prepared to sign the letter.

There is no point in my employing a building surveyor and lawyer on my own, as the managing agents, and the headlessor (who pull the strings of the managing agents), will use all kinds of tactics to ensure I spend a fortune on legal fees.

As, I hope you will appreciate, this situation is worrying me sick, and is seriously affecting my private life, as well as work life. (Clearly, it is also having an impact on other residents e.g. it is affecting the health of a 75 year old resident).

And I cannot get out of this situation: who would want to buy my flat? By how much would I have to reduce the price to induce you to buy it? £70,000? More? (At an average of £500 a month, it would take me 12 years to save £70,000)

It also makes me very angry that the onus appears to be entirely on us to defend ourselves: there appears to be absolutely nothing to protect us, fend for us. I very much hope you can prove me wrong.

The next two pages include a summary of the main issues with our desired corresponding actions. Can you help us?

Best regards

Noëlle Rawé
Flat 3 Jefferson House
11 Basil Street
London SW3 1AX
Tel: (work) []
(mobile) []

Executive summary and next steps

Issue	Action / Assistance required from you Mr Livingstone	
<p>Residents are forced to spend £25,000, maybe up to £50,000 to fend off potential average bill of £40,000+ each</p>	<ul style="list-style-type: none"> ■ If we do not spend £25,000+, maybe £50,000 (?) on lawyer and building surveyor fees, our block of 35 flats will be faced with a refurbishment bill of £1,300,000+, maybe £1,500,000... or more <ul style="list-style-type: none"> – Equivalent to an average of £40,000+ per flat ■ If we say: “can’t pay”, we will end-up on the pavement, homeless 	<ul style="list-style-type: none"> ■ To ensure that our desired actions below are pursued
<p>We are absolutely convinced that this proposed spent is linked with the building of an extra floor, and associated costs – which we should not be paying for</p>	<ul style="list-style-type: none"> ■ The block needs to be refurbished, but this amount is c. 10 times that of previous refurbishments <ul style="list-style-type: none"> – No major/ significant deterioration has occurred to warrant this spend ■ We have evidence that this spend is linked with a planning application to build an extra floor – for which we should not be paying for e.g. the works schedule states that: <ol style="list-style-type: none"> (1) “<i>repair to the roof is required</i>”; <u>our view</u>: the roof would need to be entirely demolished in order to build the penthouse flat as detailed in the planning application. Hence, why repair it? (2) “<i>a new lift needs to be installed</i>”; <u>our view</u>: obviously! It will have to reach another floor ■ The planning application granted by the Royal Borough of Kensington & Chelsea (RBK&C) town hall in January 2002 is in breach of our lease which states that the maximum height for our building should not exceed 65 feet <ul style="list-style-type: none"> – Building of a penthouse flat would bring the height to 75 feet (height confirmed by the planning application department) – Although a DTLR (?) '11.08.60.00 Planning Permission, page 46 – July 1995, Covenant 158' warns that “...<i>headlessors could lose their property and freeholders could be taken to court if they break an important covenant</i>”, RBK&C told us: <ul style="list-style-type: none"> – “<i>Not our problem. Get a lawyer</i>” – (Do planning application departments get brown envelopes from lawyers for generating business for them?) 	<ul style="list-style-type: none"> ■ The Leasehold Valuation Tribunal (LVT) to intervene in our dispute so that we do not end-up spending possibly up to £50,000 fending off this potential bill <ul style="list-style-type: none"> – (Although the LVT claims it cannot intervene because our lease states that service charge disputes must be resolved through arbitration, our case demands special consideration: racketeers must not be allowed to hide behind the terms of our lease for protection against more effective action by the authorities) ■ Get RBK&C planning application department to reverse the planning application because it is in breach of our lease – and to consider action against the headlessor/freeholder given the breach of Covenant 158

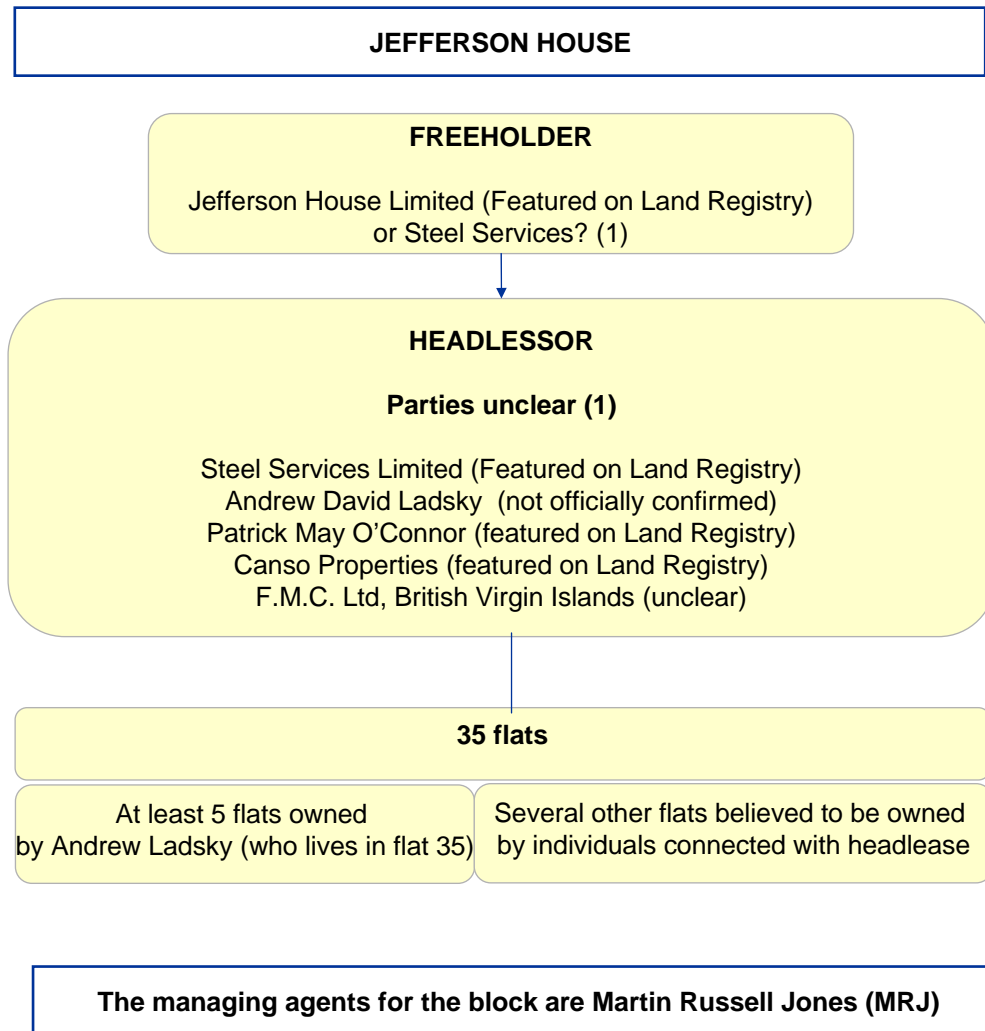
Executive summary and next steps (cont'd)

	Issue	Action / Assistance required from you Mr Livingstone
<p>There is an urgent need for us to get rid of the managing agents who are incompetent, negligent, unscrupulous and, by being the puppets of the headlessor/freeholder, will continue to cause us endless problems</p>	<ul style="list-style-type: none"> ■ We have evidence that the managing agents, Martin Russell Jones (MRJ), are overcharging us on the service charges and not managing our block properly – with the most obvious and blatant negligence of all: <ul style="list-style-type: none"> – letting the block deteriorate to the point where it (apparently!) requires a £1,300,000+ spend - Equivalent to an average of £40,000+ per flat ■ Indications are that our most effective option to get rid of MRJ is to have a management audit/forensic accounting of their books conducted ■ This requires getting a resident association for our block recognised by the Rent Assessment Committee of the Leasehold Valuation Tribunal (LVT) <ul style="list-style-type: none"> – To be granted this status requires having 60% of the 'qualifying tenants' as members of the association – We estimate that 17 out of the 35 flats are owned by/ connected with individuals linked with the headlessor – Logically, these flats should be excluded from being 'qualifying tenants'. The Rent Assessment Committee is incapable of telling us whether this is the case – Even if our (logical) assumption is correct, we cannot prove it as – contrary to the Landlord and Tenant Act 1985 – the managing agents and headlessor are refusing to provide us with the name of directors and secretary for the headlease. (Evidence suggests there has been a change of ownership in the freehold/ headlease we were not informed of – hence illegally depriving us of the right of first refusal) – After five months of trying, Sandy McDougall, Tenancy Relations Officer at the Kensington & Chelsea town hall, (who has the authority to get this information), has reached the point where he does not know what to do next – and the Leasehold Advisory Service he has contacted for advice is incapable of advising him 	<ul style="list-style-type: none"> ■ To explain our situation to the LVT's Rent Assessment Committee and get them to grant a recognised status to our residents association (of seven residents) ■ To get the LVT to actively help us get rid of the managing agents (so that we can appoint a firm that operates under a code of practice) ■ To get the appropriate authority/ies to enforce our rights contained in leasehold legislation, ensuring we are provided with: <ul style="list-style-type: none"> – the true identity of the freeholder and headlessor – and the correct address – the name of the directors and secretary for the headlease – redress if changed of ownership of the freehold/headlease is confirmed (as we were not offered first refusal)
<p>We need to get rid of our nightmare headlessor</p>	<ul style="list-style-type: none"> ■ Unless the headlease is taken away from the current headlessor we face a future of constantly having to employ lawyers to fight them off – and getting, quite literally, ruined in the process ■ This future also holds out the likely continuation of harassment and intimidation of residents, and quite possibly, further assault (which I have suffered) <ul style="list-style-type: none"> – It is inconceivable that in 2002 – in England - a 'mafia mob' such as this is allowed to run a headlease 	<ul style="list-style-type: none"> ■ To bring our case to the attention of the relevant government department/s with the aim of taking the headlease away from the headlessor

We need these actions to take place at the latest by August 2002

- **Background to Jefferson House**
- The issues
 - Forced to spend £23,000+ to fend off average bill of £40,000+
 - Government departments unhelpful/ obstructive

Jefferson House is a block of 35 flats for which ownership is unclear. Although not officially communicated, Andrew David Ladsky, residing in flat 35 is definitely connected with the headlease



Note: (1) See pages 16 to 19

Our block is a soft target as many flat owners are domiciled overseas

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- Background to Jefferson House
 - The issues
 - **Forced to spend £23,000+ to fend off average bill of £40,000+**
 - Government departments unhelpful/ obstructive

The headlessor has informed us that refurbishment of the block was required and the cost was likely to be in excess of £1 million + VAT and fees – and could be “*significantly more*”

■ Forced to spend £23,000+ to fend off average bill of £40,000+



The block needs to be refurbished, but the cost is 10 times that of previous refurbishments

- In a letter dated 26 March, MRJ informed us that refurbishment of the block was required, and the cost was likely to be in excess of £1 million + VAT and fees (see Appendix 1)
 - They also stated that it could be “*significantly more*”
- This cost is outrageous, and in all certainty unwarranted
 - Previous refurbishments cost c. £150,000

The headlessor is adopting a ‘fail safe’ strategy

- We believe that MRJ - and in particular the headlessor who pull their strings - want to see if we can organise ourselves to challenge their plans (knowing that many of the owners live overseas)

IF WE DO

Their letter states “*We would stress that this is a very rough indicative estimate... The tendering contractors may produce a price which is significantly more (!!!) or less than the price indicated above...*”

ie. They will say

“*But we said that it could be significantly less*”

IF WE DON'T

We will be faced with a bill that is “*significantly more than £1 million*”

- We believe we will end up paying for works we should not be paying for - including in relation to a planning application to build an extra floor for a penthouse flat (see Appendix 2) e.g. the refurbishment documents state that:
 - works need to be carried out to the roof (see Appendix 3). (In order to build the penthouse flat, the whole roof will have to be demolished. So how can they justify spending money to “*fix the roof*”?)
 - The lift needs to be changed. (To get the lift to reach another floor clearly has major implications)

We also suspect that the value of works carried out will be a lot less than the cost claimed

The block does need to be refurbished, but the proposed spend is outrageous

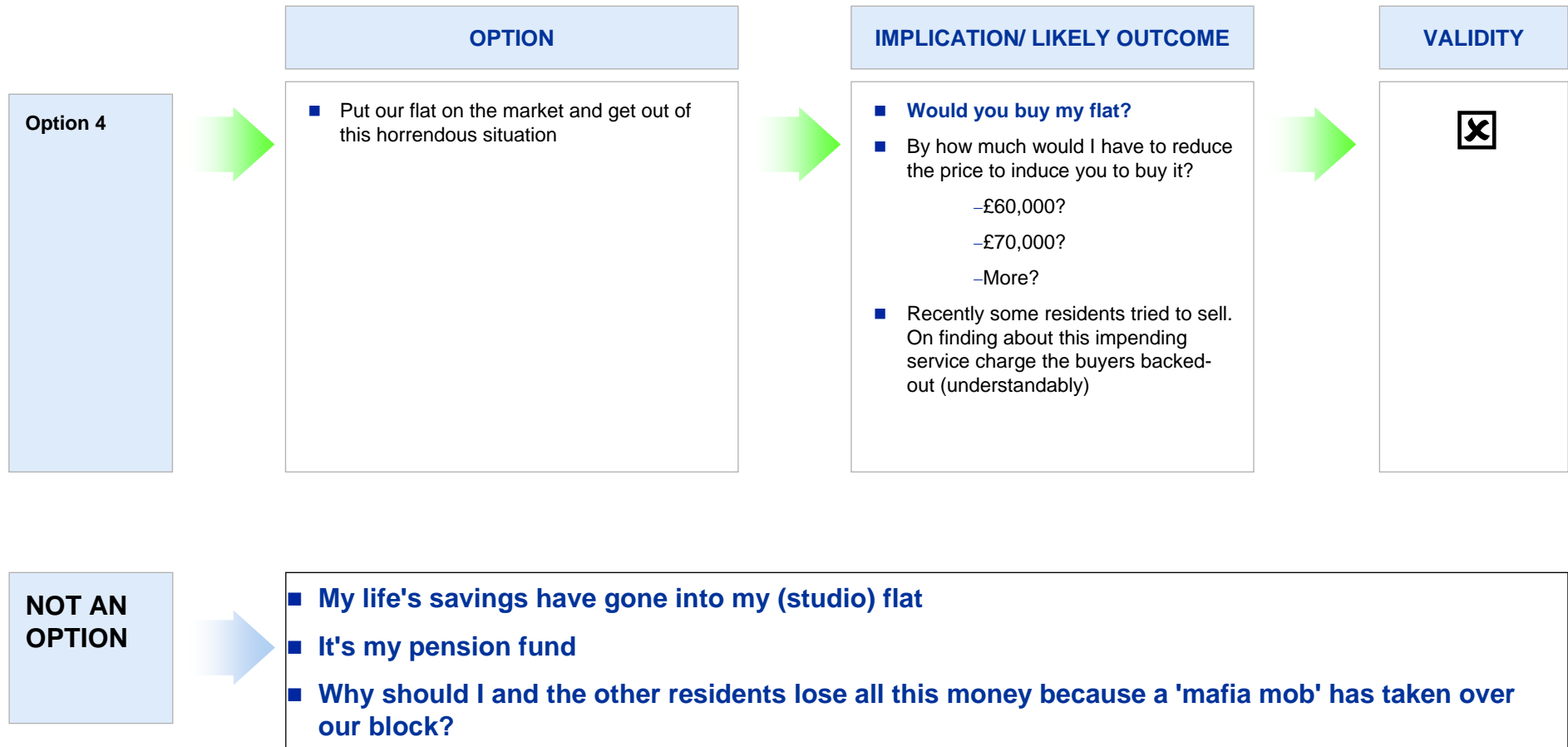
'Won't pay, can't pay' are not options open to us

	OPTION	IMPLICATION/ LIKELY OUTCOME	VALIDITY
Option 1	<ul style="list-style-type: none"> Write to MRJ and say this amount is ridiculous. Previous refurbishments were c. £150,000 	<ul style="list-style-type: none"> MRJ will query the basis on which we are arguing this, and tell us that this spend is required 	✗
Option 2	<ul style="list-style-type: none"> Wait until bill arrives and go to court to contest (incurring £10,000+ of lawyer fees in the process) 	<ul style="list-style-type: none"> We would be in a very weak position <ul style="list-style-type: none"> the court will say we were given ample warning. Hence, why did not we do something before? Saying that to do so would have entailed spending £25,000+ will not carry any weight Hence, we would lose the case In addition to our £10,000+ legal fees, we would have to pay for the headlessor legal fees - and still have to pay our individual bill of £40,000+ 	✗
Option 3	<ul style="list-style-type: none"> Individual residents saying that they cannot afford to pay a £40,000+ bill 	<ul style="list-style-type: none"> Legally, the headlessor has the right to regain the lease. <ul style="list-style-type: none"> We end-up, literally, on the pavement, homeless - while still having pay the mortgage on our flat! 	✗

In the worst case scenario, we end up on the pavement, homeless – and still having to pay the mortgage on (what used to be) our flat!

To induce you to buy my flat now, by how much would I need to reduce the price? £60,000? £70,000? More?

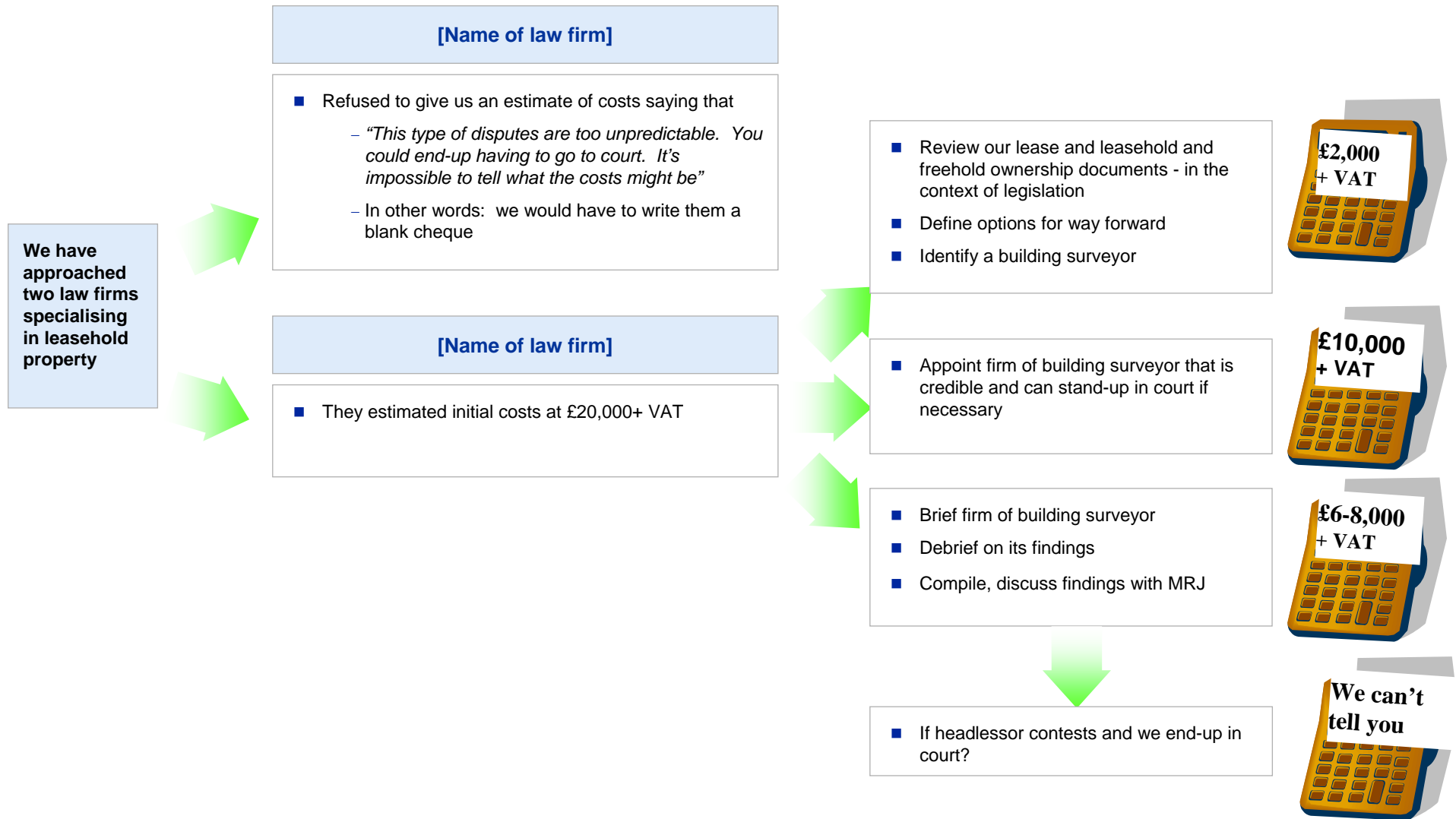
■ Forced to spend £23,000+ to fend off average bill of £40,000+



Why should I and the other residents lose all this money because a 'mafia mob' has taken over our block? In the meantime, we are 'stuck' in this block

Our only option – forced upon us - is to spend £23,000+ (could be a lot more) to fend-off the threat of an average bill of £40,000+...

■ Forced to spend £23,000+ to fend off average bill of £40,000+



...with no guarantee that the money would be spent on the block – thereby adding value to our flats – and hence allowing us to recoup part of the cost

As we are not a company, the law firms are expecting us to sign a letter that would make us individually responsible for their costs – including any litigation costs that the headlessor will pass on to us (with the help of an obliging legal system)

■ Forced to spend £23,000+ to fend off average bill of £40,000+

[Name of law firm]

- Extracts from [Name of law firm]'s client care letter:
 - *“The amount of our costs which you will have to pay may be greater than the amount you can recover from another party to the case...”*
 - *It is important that you understand that you will be responsible for paying our bill/s whatever the outcome of the case...*
 - *Even if you are successful, the other party may not be ordered to pay all your charges and expenses, or these may not be recovered from them in full. If this happens, you will have to pay the balance of our charges at the full rate and expenses.*
 - *It is rare for ‘assessment’ of costs, as it is known, to result in the other party having to pay more than 60-70% of the charges and expenses you are liable to pay us...*
 - *You will also be responsible for paying the charges and expenses of seeking to recover any charges and expenses that the court orders the other party to pay...*



RESIDENTS

- Residents – including myself – are not prepared to sign such a letter, especially when we hear of the experiences of other people/get insights into the leasehold system e.g.
 - *“... Beware, a freeholder does not have to ensure costs are as low as possible...”* (Desmond Kilcoyne, Barrister, The Sunday Times, 30 September 2001)
 - *“...several defences are available to you in this situation... be prepared to pay the outstanding £3,500 and court costs.”* (Desmond Kilcoyne, Barrister, The Sunday Times, 4 November 2001)
 - *“Management firms can mostly charge what they like. Any leaseholder disputing the cost must take their landlord to a Leasehold Valuation Tribunal. This process takes months and can be expensive...”* (Melanie Bien, Independent on Sunday, 10 March 2002)
 - *“The underlying threat here is that the freeholder can make life difficult for you if you decide not to pay the £100. If you opt for this approach, the freeholder could claim that you have broken the covenants and could threaten to consider whether to forfeit the lease...”* (Desmond Kilcoyne, Barrister, The Sunday Times, 12 May 2002)

Hence, none of the residents want to sign this letter, making it impossible for us to get legal advice and formally challenge MRJ and the headlessor (freeholder?)

Even if we were prepared to sign the lawyer's client care letter, there are so few of us that we would be looking to each spend £8,000?, £10,000?, more?

■ Forced to spend £23,000+ to fend off average bill of £40,000+



35 flats

At least 5 flats owned by Andrew Ladsky

Several others believed to be owned by individuals connected with headlease

Several others owned by individuals believed to be implicated in the 'scam'

=

17 flats believed to be connected with Andrew Ladsky/ Headlessor (see Appendix 4)

- (Even if residents were prepared to sign the lawyer's client care letter), because 17 out of the 35 flats are owned by the headlessor / individuals we believe are connected with the headlessor / are implicated in what we view as a 'scam'
 - It makes it very difficult for us to get a number of residents sufficient to 'lessen the pain' of employing professionals to advise us
- In addition, there are also 'free-loaders' who are counting on the others to pay
- The outcome is that, currently, there are only five of us who were prepared to go down the lawyer and building surveyor route
 - This implies an average cost ultimately of £8,000? £10,000? More? Each.
 - We just do not know what is really in store for us
- And in addition:
 - What other scam is the headlessor going to think of tomorrow? Day after tomorrow? Next week?
 - Do we have to contemplate a future of constantly having to employ lawyers to fight off this 'mafia mob'?
 - Apparently, last year, Andrew Ladsky told a resident that he was going "to ruin us"... and he knows - no doubt from extensive experience - that he has 'carte blanche' from the authorities to do it

If we were dealing with bona fide business people, we would not be in this situation – and the worst part of it is that these people get 'carte blanche' from the authorities to operate: not one government department we have turned to has been of help...

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- Background to Jefferson House
 - The issues
 - Forced to spend £23,000+ to fend off average bill of £40,000+
 - **Government departments unhelpful/ obstructive**

The Leasehold Valuation Tribunal says that it cannot intervene in our service charge dispute...



Leasehold Valuation
Tribunal
&
Rent Assessment
Committee

We have been told by the Leasehold Valuation Tribunal (LVT) that it cannot intervene in our service charge dispute

- This is because our lease states that disputes must be resolved through arbitration

The managing agents, MRJ, are incompetent, negligent, and we have evidence that they are overcharging us. Numerous examples, including:

Insurance

- Copy of the building insurance document for 2000 states the insurance premium at **£1,893**.
- In our service charge for the year 2000 the cost is entered as **£3,050**.
- (The address for our block on the document is also wrong: it states SW1, instead of SW3)

Electricity

- **64% increase** in electricity standing charge from Q4 1999 to Q1 2000 (London Electricity, who confirmed they supply our block, have said that the cost has actually gone down)

Mice infestation

- Mice infestation from rubbish uncollected due to no portorage for several weeks

Lift

- **Negligence and incompetence have even been identified by the companies employed by MRJ to conduct the refurbishment survey** – in connection with the lift (the following is extracted from the companies (Michael Jones & Associates) February 2002 report):
- *“...numerous items detailed in our report should have been undertaken by the incumbent maintenance contractor”*
- *“No copies of the lift maintenance reports were available.. We are given to understand that the lift maintenance agreement includes 12 visits p.a. The last recorded maintenance detail was 11 October 2001. Consequently, the routine visits for November, December 2001 and January 2002 appear to have been missed”*

■ This is in addition to the most blatant negligence and incompetence of all:

- Letting the building deteriorate to the point where (apparently!) it needs £1,300,000+ spend
- To this should be added the fact that apparently there is only c. £125,000 in the reserve funds. This makes the more recent tenants responsible for costs which ought to have been paid for - in part - by previous residents
- It is absolutely outrageous!

...meanwhile we are suffering because of the negligence, incompetence, and lack of scruples of the managing agents

We need to set up a recognised residents association, but the Leasehold Valuation Tribunal's Rent Assessment Committee is unwilling to help/does not understand the legislation...

■ Government departments unhelpful/obstructive



Leasehold Valuation Tribunal & Rent Assessment Committee

Our prospects for getting rid of MRJ (who are so instrumental in our problem) look very bleak

- We have to demonstrate incompetence/ negligence to get rid of MRJ. (Apparently, a change in legislation next year means that it will no longer be required. **This is far too late for us. We need to act now**)
 - To prove negligence we need to have a management audit conducted.
 - (Arbitration, which is a route in the case of dispute, is inappropriate as the arbitrator only gives a view 'as to the reasonableness of the service charges'. **We need forensic accounting**: i.e. the costs we are being charged must be traced back to the original invoices.
 - In addition, from first-hand experience, we feel that the **current arbitration system gives scope for collusion**. In particular, the fact that a member of the Royal Institute of Chartered Surveyors is appointed to investigate another member.
 - In our case, we found out that the appointed surveyor had advised MRJ as to the practicality of suing the resident who had instigated the arbitration.
 - The poor (75 year old) man ended paying £1,500 as he was served with a writ by Steel Services (see Appendix 5). The claim was totally unjustified, but his lawyer advised him that his fees would be as much as the claim, so he might as well pay)
- **It appears that we can only have a management audit performed if we have a residents association recognised by the Leasehold Valuation Tribunal's Rent Assessment Committee.**
 - This entails having "60% of the qualifying tenants" as members of the association.
 - I called the department on two occasions, to determine whether a 'qualifying tenant' would exclude residents connected with the headlease (which, clearly it should), and to explain our current situation.
 - The responses were very unhelpful:
 - "I don't know"*
 - "No, the person who deals with this is not here"*
 - "No, he only works part-time"*
 - "No, I can't tell you when he is in. Send in your application"*
 - "Well, that's the law!"* (at which point the phone was put down)

...making the possibility of getting rid of the incompetent, negligent and unscrupulous managing agents appear impossible

Contrary to the Landlord and Tenant Act 1985, we do not have the name of the directors and secretary for the headlease – and the RBK&C’s Tenancy Relations Officer who has the power to request this information does not know how to deal with the situation...

■ Government departments unhelpful/obstructive



8 January 2002	<ul style="list-style-type: none"> ■ Sandy McDougall, Tenancy Relations Officer, RBK&C wrote to MRJ requesting name of directors and secretary for Steel Services, headlessor. He gives 21 days for reply (as per the leasehold legislation)
14 January	<ul style="list-style-type: none"> ■ MRJ reply: <i>“We don’t know”</i>
17 January	<ul style="list-style-type: none"> ■ Sandy McDougall writes to Steel Services and Jefferson House Limited (freeholder) requesting the information
25 January	<ul style="list-style-type: none"> ■ MRJ: <i>“The name of the directors are F.M.C. Ltd, Tropic Isle Building, Wickhams Cay, Roadtown, Tortola, British Virgin Islands”</i> (see also page 19)
30 January	<ul style="list-style-type: none"> ■ Sandy McDougall writes to Jennifer Brathwaite, Legal Adviser at the Leasehold Advisory Service requesting advice on how to proceed
19 February	<ul style="list-style-type: none"> ■ Sandy McDougall sends chasing letter to Jennifer Brathwaite
25 February	<ul style="list-style-type: none"> ■ Jennifer Brathwaite sends reply to Sandy McDougall quoting from sections 1 and 2 of the Landlord and Tenant Act 1985 which leaves Sandy McDougall none the wiser
5 March	<ul style="list-style-type: none"> ■ Still, Sandy McDougall tries to make the best of it and writes to MRJ stating, among others, that the headlessor <i>“cannot hide behind the corporate veil”</i>
??	<ul style="list-style-type: none"> ■ Sandy McDougall gets a ‘you can’t force us’ letter from MRJ and their solicitor
3 April	<ul style="list-style-type: none"> ■ Yet again, Sandy McDougall contacts Jennifer Brathwaite at the Leasehold Advisory Service for advice
14 May	<ul style="list-style-type: none"> ■ On 13 May I went to RBK&C town hall where I saw Sandy McDougall. He said to be awaiting a reply to his letter of 3rd April to Jennifer Brathwaite. The following day he sent her a chasing letter. ■ I have had no communication since then from Sandy McDougall

... and evidently, nor does The Leasehold Advisory Service he has contacted for advice. Meanwhile, MRJ and headlessor are having a good laugh

We know that Patrick May O'Connor is a director, and have comprehensive evidence that Andrew David Ladsky is also connected with the headlease

■ Government departments unhelpful/obstructive



■ Patrick May O'Connor

- 14 companies dissolved
- 3 companies liquidated

■ Andrew David Ladsky

- 9 companies dissolved
- 1 company liquidated
- **Arthur Ladsky** (father?) also director of 7 of the companies dissolved

■ We know that Patrick May O'Connor is a director for the headlease

- Land Registry document for 'Leasehold' has a 'Restriction' entered on 1 June 2001 based on an "agreement dated 26 July 2001 made between (1) Steel Services Limited (2) Canso Properties Limited and (3) Patrick May O'Connor" (see Appendix 6)

■ Patrick O'Connor was a director of Langhaven Holdings, previous headlessor for Jefferson House. (Steel Services acquired the headlease in November 1996)

■ Aside from his activities – and behaviour in the block – we also have evidence that Andrew David Ladsky is also formally connected with the headlease

■ Among others, we have two letters to support our belief: his signed letter to residents at the time we were offered to buy the headlease (an opportunity subsequently denied to us), and threatening letter to Nucleus, our Citizen Advice Bureau stating that it was sent by 'Steel Services'. Both are clearly from the same source (see Appendix 7)

■ Between them, Patrick O'Connor and Andrew Ladsky have been directors of 21 companies, of which: 17 were dissolved and four liquidated

■ A search on Companies House database has identified that in the last few years:

- Patrick May O'Connor was a director for 18 companies. Of these, 14 were dissolved, and three were liquidated
- Andrew David Ladsky was a director for 13 companies. Of these, nine were dissolved, one was liquidated
- In addition, of the nine companies dissolved, he shared directorship for seven of these companies with what appears to be his father (Arthur Ladsky) (see Appendix 8)
 - (We have come across a court judgement against Arthur Ladsky (TSB Bank plc vs. Arthur Ladsky, 1996) whereby the bank successfully reclaimed a £3.0 million loan – See Appendix 9. Andrew David Ladsky was also a director of the company sued by TSB, Combined Mercantile Securities)

(Detailed information on all the above has been provided to Sandy McDougall. Apart from the court judgement, it was also sent to The Insolvency Service department who replied that these individuals "are not subject to the restrictions of either bankruptcy or disqualification orders")

Note at August 2005: "suspicious" to me. (see Directorships section on site). However, I am not suggesting 'illegal'. I am not an expert.

Their track record of company directorships looks very suspicious. However, The Insolvency Service department said to have no case against them

Nucleus, our local Citizen Advice Bureau has also attempted to get the name of the directors, as well as address for headlessor...

■ Government departments unhelpful/obstructive

Up to March 2001	<ul style="list-style-type: none">■ Address for Steel Services Limited was: PO Box 258, Malzard House, 15 Union Street, St Helier JE4 8TY
7 June 2001	<ul style="list-style-type: none">■ 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	<ul style="list-style-type: none">■ MRJ replied to Nucleus that the address for Steel Services is 25-26 Hampstead High Street, London NW3 1QA■ (Exactly the same address features on Companies House database for directorships for Andrew and Arthur Ladsky.<ul style="list-style-type: none">– In addition, the same address also features on a letter sent to a resident by a firm of solicitors. The name of the firm is Cawdery Kay Fireman & Taylor. What is going on at that address?)
14 November 2001	<ul style="list-style-type: none">■ MRJ replies to Nucleus saying that the address for Steel Services is at their care, at their NW4 3JL address (Hence, the address had changed again in the space of 6 weeks!)
1 November 2001	<ul style="list-style-type: none">■ MRJ reply to Nucleus that they do not know the name of the directors and secretary for the headlease
29 April 2002	<ul style="list-style-type: none">■ My service charges give the address for Steel Services as being in Jersey (as per up to March 2001) (!!!)



We have gone full circle and, in addition, we now also have F.M.C. Limited, British Virgin Islands, as another connection with the headlessor (and freeholder! See page 19)

We have been given four different addresses in the space of one year. As to the identity of the headlessor and freeholder, a change of ownership appears to have taken place...

A writ served on a resident specifies Steel Services Limited as the 'freeholder' – rather than headlessor

Central London County Court - Claim Form

26 February 2002

Claimant

Steel Services Limited
Registered Office
Tropic Isle Building
Road Town
Tortola
British Virgin Islands

“The claimant is the freehold owner...” (see Appendix 5)

- **In December 2000 we were given the opportunity to buy the headlease but this was eventually taken away from us**
 - In December 2000 we were served by a 'Notice by landlord to qualifying tenants of proposed disposal' stating that *“the landlord intends to sell the lease interest in the property”*
 - At the time, Andrew David Ladsky wrote to the residents trying very hard to dissuade us from buying the lease (see Appendix 7).
 - He also employed harassment and intimidation tactics with [Name of Resident], the resident who was trying to mobilise us to buy the headlease (see Appendix 10)
 - When we pointed out that the notice referred to annexes, and that none had been attached, this was taken as an excuse to remove the offer from us
- **Steel Services has become the freeholder, and we have not been informed of this – and nor of course were we given the opportunity of first refusal**
- By coincidence we find out from the writ served on a resident that Steel Services has become the freeholder
- We have had no communication on this whatsoever
- **The Land Registry documents states that the freeholder is Jefferson House Limited** (see Appendix 6)
- Do we still have a headlessor?
- **Surely this amounts to deceit /a breach of the leasehold laws (?)**

We have not been informed of this change of ownership from Jefferson House Ltd to Steel Services Ltd; it has taken place without our knowledge – hence depriving us of our right of first refusal

A simple 'yes' by RBK&C's planning permission department is a key contributor to our problem

From lease for Jefferson House

"Not at any time to erect or permit to be erected on the said land any building or buildings exceeding 65 feet in height" (see Appendix 6)

"If the planning application is in breach of your lease, that's not our problem. You'll have to get a lawyer"

(RBK&C Planning permission department)

- **RBK&C planning department brushes off the consequences of their decision**
- The RBK&C planning department has granted an application to Steel Services to build an extra floor for a penthouse flat
- This planning permission is in breach of our lease which states that the building must not exceed a height of 65 feet (see Appendix 6)
 - The addition of an extra floor will bring the height to 75 feet. (This was confirmed face-to-face by the planning department)
- When I confronted the planning department with the fact that, by saying "yes", they had endorsed breach of our lease, their reply was:
 - *"Not our problem. You'll have to get a lawyer!"*
 - (Do planning application departments get brown envelopes from lawyers for generating business for them? I really wonder)
- **There is legislation to prevent this from happening, but the planning application department is clearly not concerned**
- From DTLR? 'Planning permission - 11.08.60.00 – Page 46, July 1995':
 - Covenants-158- *"The title document or lease of a property may include specific obligations or restrictions...A leaseholder could ultimately lose the property if he/she breaks an important covenant and a freeholder could be taken to court."*
- **To reemphasise:**
 - **this planning application is a major worry to us as we strongly suspect that it is a key element in the £1 million+ refurbishment - and we should not be paying for the cost of building an extra floor, and associated costs**

Writing to MRJ saying that the headlessor was in effect attempting to get us to pay for building a penthouse flat has made me a target for harassment, intimidation and assault...

Residents who are challenging headlessor's plans have been the victim of harassment and intimidation...

■ Government departments unhelpful/obstructive



Unhelpful
Unpleasant
Obstructive

- **Since challenging the proposed refurbishment I have been a victim of harassment, intimidation and assault**
 - In the space of 18 days (from 1st to 19 February):
 - I received 20 anonymous phone calls (13 one day, 7 another day – all were traced by BT)
 - My door bell has been pressed late at night
 - An object was thrown at my windows, also very late at night
 - Outside of this period I have:
 - Been pushed aside in the corridor by Andrew Ladsky (equivalent to assault)
 - Received anonymous phone calls at work (several calls one day)
 - Been harassed at a bus stop by Andrew Ladsky and another individual (they were in Andrew Ladsky's car)
 - (The person who was my predecessor in terms of driving the activities for the resident association also suffered extensive harassment and intimidation by Andrew Ladsky) (see Appendix 10)
- **The Kensington and Chelsea police has proved unhelpful, unpleasant and even obstructive**
- I have written letters of complaint, including to the Police Complaints Authority. This has proved of no help (see Appendix 11)
 - I have now contacted the Metropolitan Police Authority and await a reply
- **Other residents have also been the victim of harassment and intimidation**
- Like me, these residents know that the perpetrator is Andrew Ladsky. Only the police can potentially help us prove it but, for reasons better known to themselves, they are clearly reluctant to help
- **Finally, even Nucleus has been on the receiving end of the 'Ladsky' treatment**
- They have received abusive and threatening phone calls, including from a 'Mr Davies' claiming to act for Steel Services and threatening Nucleus to report them to the Law Society (see Appendix 12)

... as has Nucleus, our local Citizen Advice Bureau

A meeting with our local MP, Michael Portillo, to highlight our plight and seek help has proved another waste of time...

- Government departments unhelpful/obstructive



JEFFERSON HOUSE RESIDENTS

- I prepared a presentation pack for Mr Portillo similar to this one
 - The Executive summary had essentially the same list of actions for which I requested his assistance
- I met with him on 28 May



MICHAEL PORTILLO

- Mr Portillo's reply was:
 - *“... I am extremely sorry that you have this great worry and I hope that you are able to obtain a sound legal opinion as to the best way forward.*
 - *In the meantime, as we discussed, I am very much afraid that as your local Member of Parliament I do not see how I can assist you in your current situation”*

... Summary: **“Sorry, I can’t help you. Get a lawyer”**

It is clear that there are thousands of people like us in the hands of 'modern-day Rachman landlords'...

- *"There are 3 million leaseholds in Britain... they might find themselves in the hand of a modern-day 'Rachman landlord who uses the lease to extract money... threatening tenants with repossession if they fail to pay... presenting them with absurd service and maintenance bills... They make leaseholders' lives a misery..." (The Sunday Times, 4 November 2001)*
- *"Thousands of leaseholders are currently embroiled in legal action with their landlords over exorbitant charges for services and unnecessary maintenance work.*

While the Commonhold and Leasehold Reform Bill should help prevent this problem arising it won't eradicate it, as it contains no proposals to abolish the antiquated and much-derided leasehold system...

"Since coming to office, the Labour government has made so many concessions to the landlord interests that the original purpose of this legislation has been undermined" says Mr Wilkins (CARL, Campaign for the Abolition of Residential Leasehold) " (Melanie Bien, Independent on Sunday, 10 March 2002)

Are you going to be the person who is going to stand out from this mammoth, indolent government machinery to help us?

Try putting yourself in my shoes right now: feel the helplessness, the despair, the frustration; feel the anguish at the thought of losing tens of thousands of pounds of your hard-earned money

Can you feel these emotions? Then please, help. Thank you.