Mr Phillip Inman
Journalist
The Guardian
119 Farringdon Road
London EC1R 3ER

Ms Noëlle K-Dit-Rawé
[redacted]

Email: [redacted]
Mobile: [redacted]

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cc. Rt Hon Tony Blair, Prime Minister
Rt Hon Charles Kennedy, MP, Leader Liberal Democrat Party
Rt Hon John Prescott MP, Deputy Prime Minister
Rt Hon Lord Rooker, Minister of State, Housing and Planning
Rt Hon Keith Hill, Housing Minister
Rt Hon Lord Falconer of Thoronton QC, Secretary of State for Constitutional Affairs
Rt Hon David Blunkett MP, Secretary of State for the Home Department

Dear Mr Inman

The government is positioning the Leasehold Valuation Tribunals, as well as the new 'right-to-manage' reform as effective means available to flat owners who face abusive landlords. My current experience leads me to disagree with these claims. (I am attaching supporting documents as evidence).

Background

Over the last 20 months I have been fighting a battle with my headlessor, Steel Services/Mr Andrew David Ladsky [1], the headlessor's solicitors, Cawdery Kaye Fireman & Taylor (CKFT) [2] and the managing agents, Martin Russell Jones (MRJ) [3]

The battle is in connection with a service charge demand of £736,000. The block has 35 flats. The majority of these are studios. My share of this service charge demand, for a basement studio flat, is £14,400. In their 26 March 2002 letter MRJ stated that *"The surveyors have indicated that the cost of works is likely to be in excess of £1million + VAT and fees".* This would bring the amount to over £1.5 million and hence, my share to over £30,000. I have lived in the block for 27 years and had never been faced with such an outrageous demand.

Within days of my challenging the nature of the intended works I started to suffer harassment and intimidation (anonymous phone calls at home and at work, door bell pressed in the middle of the night, hard object thrown at my windows also late at night, I have been pushed aside in the entrance corridor, etc). This, plus previous history, led me to feel that my suspicions were correct.

In August of last year the landlord applied to the LVT to *"determine the reasonableness of the global sum demanded"*. At the time, my only exposure to tribunals (and courts) had been from television programmes. From these I had formed the perception that both existed to help people get justice. My experience of the last ten months has made me realize that I was very naïve.

1. The government's claims about the Leasehold Valuation Tribunals are not true

The government has positioned the Leasehold Valuation Tribunals as a forum where flat owners can challenge service charges without the need for professional representation, and where each party pays their own costs. My first-hand experience leads me to disagree with both claims.

Claim 1 - *"…no need for professional representation"*

If I had not employed a solicitor, a barrister and a surveyor - at a total cost of £28,000.00 - I would not have stood a chance in the LVT as there is total inequality of arms.

If, at the 5th February 2003 hearing I had not had the weight of a good barrister to present my case to the Panel and counteract the lies from MRJ and Brian Gale [4], the surveyor employed to undertake the

[1] Flat 35, Jefferson House, 11 Basil Street, London SW3 1AX
[2] (Mr Silverstone) 25 – 26 Hampstead High Street, London NW3 1QA – Tel: 020 7317 8714
[3] (Ms Joan Hathaway) 5 Watford Way, Hendon Central, London NW4 3JL – Tel: 020 8202 3858

condition survey, there is absolutely no way that I would have been able to get the Tribunal to agree to postpone the hearing:

- On 12 January I personally wrote requesting a postponement of the hearing because I still had not received from MRJ the priced specification for the proposed works. This was refused.

- On four occasions over a three-month period I asked the Tribunal for its assistance in obtaining, from MRJ, a copy of the priced specification. MRJ were in complete breach of the directions set by the Tribunal, which included meeting residents' requests by 17 December 2002 so that residents could have their own advisers review the specification. The specification was eventually hand-delivered to my door… *36 hours before the 5th February hearing!*

- To every single question I posed to the Clerk to the Tribunal I received the same reply: *"Get legal advice"*.

Being represented by a barrister and a surveyor proved equally critical for the subsequent three day of hearing.

Even when I received the 'decision' of the Tribunal, I still needed to get professional advice as the Tribunal did not provide a global view of the impact of its decision on *'the global sum demanded'.* This cost me an additional £1,800.00 in surveyor fee.

When I opted to challenge the landlord's action in the LVT I thought I would end-up with a decision. Instead, I have an open-ended £28,000.00 report over which I am battling with CKFT:

- In its report, the Tribunal states: *"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 were some elements of duplication. Some items were not specified at all e.g. the types and capacity of the boilers".*

- According to my surveyor, items for which the LVT said to be unable to make a decision amount in total to £144,746.00. However, nowhere does it say what needs to be done next e.g. perhaps these works might not even be necessary. What is the outcome of this? Currently, the landlord has arbitrarily reduced the sum of £144,977.00 by £34,849.00.

- In relation to the contingency fund of £141,977.00 which the landlord was refusing to use, the LVT stated: *"The wording of the clause relating to the contingency or reserve fund in the lease is unambiguous.…the Tribunal considers it inequitable that this fund should not be used in part to fund the works".* As it does not say how much, the landlord is not taking it into consideration.

Hence, at this stage, the percentage reduction over the original sum demanded should be 73.8 per cent. (My surveyor calculated that £129,958.00 was disallowed by the LVT and this has been implemented by the landlord in the current revised specification).

To add to the battle, the landlord has now added a tender price increase of 6.45% on the global sum demanded because of the delay in starting the works. Clearly, this should be paid for by the landlord.

Claim 2 - *"…each party pays their own costs."*

When it comes to the £30,000+ of my life savings I have spent as the result of the action through the LVT, there is not the shadow of a doubt on my position: I cannot recoup a single penny of it.

However, when on the last day of the hearing my Counsel told the Tribunal I requested that the landlord be prevented from putting their costs on the service charge, Mr Ladsky's Counsel replied *"my client will not charge Ms K-Dit-Rawé for costs, but intends to charge the other residents"*. At this point, the Chair of the Panel said: *"Oh well I don't know, I am not sure, I'll have to check on this"*. After the recess she declares: *"This will require another day of hearing"*. She then turned to my Counsel and said: *"How does your client feel about this?"* (The Tribunal knew that, by then, I had already spent in excess of £25,000 – and also knew that I am on a salary).

How do I feel about this? That it is totally in the interest of landlords to take their case to the LVT:

- They gamble on the fact that individuals such as myself will hesitate to challenge them because they cannot recoup their costs.

- There is a bias in favour of landlords: Point 6 of the attached LVT's directions [5] states: *"The parties should note that the Tribunal may consider requiring the respondents to reimburse the applicants with the whole or part of their fees in these proceedings in accordance with Article 11A of the Rent Assessment Committee… regulations 1993"*. (This acted as a strong deterrent to other residents).

  How about when there is damning evidence against the applicant (as was the case in this instance)? Well, if it happens to be a landlord, clearly not.

  So, landlord position: 'head' they win, 'tail' they win.

In fact, the landlord was so sure of being able to roll the application through the LVT quickly that, in December 2002, CKFT put a claim through West London County Court.

CKFT filed *'one'* claim against 11 lessees representing 14 flats [6] including myself, even though my lease is different from that filed in the Court by CKFT. This led to a complete shamble: in March I received a notice of a Charging Order hearing which turned out to be for another lessee. This episode caused me untold torment, anguish and distress and nearly cost me £2,000+ in solicitor fee (attached my letter to the Court of 1st April 2003 [7]). Throughout, CKFT has been running the show in the Court.

What is shocking is that the Court appears to have been instrumental in getting some lessees to pay an amount of money they do not owe (attached my letter to the Court of 9 August 2003 [8]). The landlord has been allowed to pursue this action simultaneously in two separate jurisdictions despite my informing both, the Court and the LVT, several times of the situation - from the very beginning – and my two requests to the Court for the action to be stayed until the LVT had made a decision.

2. Right-to-manage reform

The government is making much fuss about the launch next month of the 'right-to-manage', positioning it as a reform that will: "…*help prevent unreasonable and oppressive behaviour by unscrupulous landlords and provide flexibility to tackle any future forms of abuse."* (Evening Standard, 12 August 2003)

This new legislation is of no benefit when landlords and their holdings are hidden behind offshore registered, 'off-the-shelf' companies

As the landlord has the right to be represented, and each flat gets a vote, it is particularly important to limit the influence of the landlord on the right-to-manage company i.e. within the '50% of qualifying tenants' requirement we must ensure that flats owned by the headlessor are excluded. My research leads me to conclude that several flats in our block are owned by individuals/offshore companies connected with the headlease, but I cannot prove it.

Under the Landlord & Tenant Act 1985 lessees have the right to request from a landlord the name and address of every director and of the company secretary for the headlease. Last year, the Tenancy Relations Officer at the Kensington & Chelsea Town Hall tried to obtain this information. To use a colloquial expression, he was 'given the run around' by MRJ and CKFT for about ten months. On one occasion he was told by MRJ that the names of the directors for Steel Services are *"F.M.C. Ltd"* with an address in the British Virgin Islands (BVI). In the end, this is the only information he managed to obtain on the identity of the directors for the headlease.

This prompted me to contact the BVI Financial Authorities. In a letter dated 8 August 2002 they stated that Steel Services Limited had been *"Struck-off the register for non-payment of licence fee"* [9]. What was particularly interesting was the fact that, in a letter to the Tenancy Relations Officer dated 1st August 2002, CKFT wrote *"All we can say is that Steel Services Limited is an existing company…"* [10]

As a result of asking, in one of my letters to the LVT, how could an apparently non-existent company pursue an action through the LVT, the c. US$300 BVI subscription was evidently paid as, by November 2002, CKFT produced a *'Certificate of good standing'* for Steel Services.

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[5] Directions issued by the Leasehold Valuation Tribunal following 29 October 2002 pre-trial review, ref: LVT/SC/007/120/02

[6] Front page of December 2002 West London County Court claim filed by CKFT

[7] My letter to West London County Court, dated 1st April 2003

[8] My letter to West London County Court, dated 9 August 2003

[9] 8 August 2002 reply from the BVI

[10] Letter from CKFT to K&C Tenancy Relations Officer, dated 1 August 2002

Of the raft of addresses produced by MRJ for the 'landlord', one in Jersey had been used intermittently. On two occasions the Jersey Financial Authorities confirmed to me that they did not have on their register a company by the name of Steel Services. As a result of my also reporting this to the LVT, MRJ stopped putting this address on our service charge demands last November.

It will stop lessees from exercising their rights

Another major flow, (among others), is that it gives the landlord the ability to challenge, in a tribunal, the actions of the right-to-manage company. Based on my experience with the LVT action, this will deter lessees from exercising their rights. (It most certainly will in my case).

In conclusion on this: the millions of pounds of taxpayers' money the government has no doubt spent devising, yet again, an ineffective remedy against the symptoms, would have been better spent on addressing the disease: abolishing the archaic, feudal leasehold system that causes so much misery to so many people.

(In my case it has so far cost me c.£35,000 in professional fees; several thousand pounds in document production, research, posting, etc; over 650 hours of my spare time and annual leave in the last 20 months (based on a 7 hour day, this is equivalent to *93 days*!). It is affecting my physical and emotional health. I am suffering defamation of my name and of my character in Court. (What impact will this have on my credit rating?) This nightmare has, quite literally, ruined my life in the last two years).

Even the Police cannot be relied upon for protection

I stated earlier on that I have suffered harassment and intimidation. Given my actions, I am sure it will not surprise you to hear that this is continuing. As a woman, living on my own, in a basement flat, I feel particularly vulnerable. This is heightened by the fact that, evidently, I cannot rely on Kensington & Chelsea Police for protection:

- When I reported Mr Ladsky to DC Adams, CID, I was told that *"Nobody has ever complained about him"* (which clearly suggests that they had heard of him). I know for a fact that this is not true e.g. attached letter from CKFT to two residents in which they state: *"…you reported our client to the police…our client was visited by Mr D Malam from the Chelsea Police Station"* [11] .
- When I pursued the matter further, I was told by the Metropolitan Police Authority that: "…*the police cannot act on the basis of your suspicions"* [12] (I also attach my reply [13]). However, when Mr Ladsky goes to the local police to report that I swore at him (!!!), this generates a letter stating: *"…any further such outbursts may result in charges of harassment being made against you, as this initial complaint has been fully recorded by the police... ";* could I call to discuss [14] Lack of response on my part generates another letter, again asking me to call [15] At which point I replied requesting precise details of the complaint – in writing [16]. There was no further communication from the Police following my letter.

This, Mr Inman, is the reality of the suffering caused by the maintenance of a feudal leasehold system, in the context of authorities with an automatic built-in response of turning a blind eye and a deaf ear. So many times I have heard: *"Nothing to do with us"*; *"Get legal advice!".* I do not know when this nightmare will end, nor how it will end – and how much more it will cost me. Although I am the innocent victim, evidently, I will not recoup any of my costs. Nor, indeed, will I get redress from the criminal acts committed against me relative to: Article 8 of the Human Rights, Protection from Harassment Act 1997, and Defamation Act 1996 – unless of course I am prepared to totally ruin myself as, yet again, the responsibility for taking action is placed on me. So, again, confirmation of landlord position: 'head' they win, 'tail' they win!

Yours sincerely

Noëlle K-Dit-Rawé
(A British National)

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[11] 11 October 2001 letter from CKFT to Mr & Mrs Hayashi, flat 14 and Mr Leapman, ex. Resident, flat 12

[12] Letter from Sir Toby Harris, Chair of the Metropolitan Police Authority, dated 11 July 2002

[13] My reply to Sir Toby Harris, Chair, Metropolitan Police Authority, dated 4 August 2002

[14] Letter from Kensington & Chelsea Police, dated 27 January 2003

[15] Letter from Kensington & Chelsea Police, dated 6 February 2003

[16] My reply to Kensington & Chelsea Police, dated 11 February 2003