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13 March 2017

By HandMs H Christie
2A Onslow Square
London
SW7 3NP**Our ref**

JESL/DLD/CAP/0W0107.06379

Dear Madam

2A Onslow Square, London SW7 3NP (the "Premises")**Application to the Tribunal pursuant to Section 20(C) and Section 27(A) of the Landlord and Tenant Act 1985 with Tribunal Reference: LON/00AW/LSC/2016/0035 (the "Application")****Leased dated 21 June 1991 between (1) The Official Custodian for Charities (2) The Trustees of Henry Smith's Charity and (3) Graham Charles Pewter and Suzie Ellen Pewter (the "Lease")**

We write further to the determination of the Application dated 15 September 2016 and the subsequent refusal of the applications for permission to appeal dated 7 November 2016 and 5 December 2016.

Pursuant to clause 3.5 of the Lease, you covenanted to pay to the Lessors all costs, charges and expenses including Solicitors' and Counsels' costs and fees and the cost and fees of the Surveyor at any time during the Term incurred by the Lessors in connection with the recovery of arrears of rent.

Your Application challenging the reasonableness of service charges (which are reserved as rent under the Lease) was determined almost entirely in our client's favour. Only a minor deduction of £187.04 was made in respect of the garden charges. The Tribunal determined that all other sums for the period from 24 June 2014 to 25 December 2015 (the "Period") were payable by you. No deduction was made by the Tribunal in respect of the service charges demanded by our client.

In dealing with the Application, our client has incurred total costs of £114,775.84 (inclusive of VAT) from receipt of the Application in January 2016 up to and including the inspection by the Tribunal panel following the three day hearing.

UK - 217458443.1

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For the avoidance of doubt, this sum does not include the costs incurred by our client in dealing with and responding to your unsuccessful applications to the First-tier Tribunal and the Upper Tribunal for permission to appeal.

Our client's costs incurred in dealing with and defending the Application are reasonable in amount and were reasonably incurred. Our client's case was dealt with by a junior lawyer at CMS along with junior Counsel.

The costs of £114,775.84 are broken down as follows and are set out in detail in the schedule enclosed with this letter:

1. £56,311.44 in respect of Solicitors' costs;
2. £15,740 in respect of Counsel's costs; and
3. £42,724.40 in respect of Surveyors' costs.

At this point, we are instructed to seek payment of the costs incurred by our client in connection with the recovery of the service charge arrears only. We have calculated these costs to be £95,263.95 (inclusive of VAT). We enclose a demand for payment of these costs together with a summary of tenant's rights and obligations.

We confirm that we have deducted the relevant proportion of the sum of £432 awarded to our client by the Tribunal pursuant to Rule 13 of the First-tier Tribunal Rules 2013.

Please confirm within 14 days of the date of this letter:

1. that you accept that you are liable, pursuant to clause 3.5 of the Lease, to pay our client's costs in connection with the recovery of arrears of rent; and
2. that you accept that this liability extends to costs incurred by our client in recovering those arrears of rent by successfully defending the Application which sought to avoid payment of service charge for an 18 month period.

In the event that we do not receive your confirmation within 14 days of this letter as requested above, our client reserves its right to take further action to recover its reasonable costs from you.

We await hearing from you.

Yours faithfully



CMS Cameron McKenna LLP

2A ONSLOW SQUARE
SCHEDULE OF COSTS INCURRED IN DEALING WITH APPLICATION
LON/00AW/LSC/2016/0035: HEARING – 8 JUNE, 11 JULY AND 14 JULY 2016

1. CMS' LEGAL FEES

	Name	Level	Hourly Rate
(A)	Danielle Drummond-Brassington ①	Partner	£380
(B)	Eleanor Murray ②	Senior Associate	£300
(C)	Jessica Slack ③ N.B. Some Time in column C is in the name of Sarah Ellison at a rate of £250 dealing with the matter while Jessica was on annual leave. Column C time at the higher rate of £250 per hour is shaded grey.	Lawyer (to 30 June 2016) Associate (from 1 July 2016) ④	£230 (to 30 June 2016) £250 (from 1 July 2016)
(D)	Trainee ⑤	Trainee	£130

Item	Description of work	(A) hours	(B) hours	(C) hours	(D) hours	Total (inc. VAT)
1.	Application received from client, detailed review of application including the sums challenged, analysing the compromise position in respect of sums already settled.		0.48	3.33	0.59	£1,183.92
2.	Meeting with client and Knight Frank to discuss the Application.			2.06		£568.56
3.	Drafting Instructions to Counsel together with bundle of documents.			5.20		£1,435.20
4.	Telephone conference with Counsel following the two hour case management conference and advising client of next steps following case management conference	0.2	0.2	2.34		£809.04
5.	Advising client correspondence received from tenant.		0.59	1.67		£673.32
6.	Corresponding with the Tribunal in response to correspondence received from the tenant, particularly in relation to disclosure.		0.3	1.5		£558.00
7.	Instructing Counsel in relation to the statements		0.1	6.4		£1,956.00

Item	Description of work	(A) hours	(B) hours	(C) hours	(D) hours	Total (inc. VAT)
	of case.					
8.	Conference with Counsel following receipt of Instructions		2.1	3.9		£1,926.00
9.	Correspondence with the tenant regarding disclosure of documentation.		0.3	5.2		£1,668.00
10.	Advising the client regarding disclosure of documentation.		0.4	2.91	8.13	£2,215.44
11.	Reviewing bundles of documents received from the tenant (total 19).		0.7	0.4		£362.40
12.	Reviewing tenant's lengthy statements of case and reporting to the client.			6.2		£1,711.20
13.	Input required for drafting the client's statements of case			5.8		£1,600.80
14.	Preparing responses to itemised schedule of service charges challenged prepared by tenant		1.7	12.9		£4,172.40
15.	General advice to client regarding strategy in relation to dealing with the application.	0.3	3.3	0.7		£1,518.00
16.	Email correspondence with Knight Frank to obtain information and input in relation to the application.		0.8	1.2		£619.20
17.	Advising client regarding responding to correspondence received directly from tenant.		1.8	0.1		£675.60
18.	Preparation for and drafting witness statements		10.79	46.38		£16,685.28
19.	Preparation of bundles for hearing including drafting a bundle index and corresponding with the tenant seeking to agree a bundle of documents.		1.0	10.53		£3,266.28
20.	Preparation for and attendance at pre-hearing conference with Counsel		3.22	4.3		£2,346.00
21.	Preparations for hearing			5.10		£1,407.60
22.	Attendance at day 1 of hearing on 8 June 2016			9.00		£2,484.00

Item	Description of work	(A) hours	(B) hours	(C) hours	(D) hours	Total (inc. VAT)
23.	Correspondence with client and Counsel following day 1 of hearing		0.8	1.2		£619.20
24.	Attendance at day 2 of hearing on 11 July 2016			9.00		£2,700.00
25.	Correspondence with client and Counsel following day 2 of hearing		0.5	0.9		£450.00
26.	Attendance at day 2 of hearing on 14 July 2016			8.50		£2,550.00
27.	Correspondence with client and Counsel following day 3 of hearing			0.5		£150.00
	TOTAL					£56,311.44

2. COUNSEL'S FEES

Item	Description	Total (incl. VAT)
1.	Preparation for and attendance at case management conference (approx.. 7 hours, agreed fee of £850 plus VAT)	£1,070
2.	Settling Statement of Case	£2,100
3.	Reviewing witness statements and advising on disclosure	£270
4.	Advising in conference and brief fee in respect of representing The Wellcome Trust at day 1 of the hearing	£6,000
5.	Brief fee in respect of representing The Wellcome Trust at day 2 of the hearing	£4,500
6.	Refresher brief fee in respect of representing The Wellcome Trust at day 3 of the hearing	£1,800
	TOTAL	£15,740

3. KNIGHT FRANK'S FEES

Item	Description	Total (incl. VAT)
1.	Compilation of service charge invoices and reserve invoices for the relevant period.	£2,520

Item	Description	Total (incl. VAT)
2.	Compilation of management fee invoices, service charge and reserve invoices for flat and garden from 2011 – 2016, compilation of year end expenditure for Onslow Square Garden and arranging files in order of the expenditure accounts and the numbering of invoices in accordance with expenditure list for review/copy by the tenant.	£5,976
3.	Preparing the expenditure and invoices for June 2014 to June 2016.	£2,534.40
4.	Correspondence with CMS relating to the application	£3,240
5.	Commenting on the schedule prepared by the tenant	£12,840
6.	Preparation of witness statements	£981
7.	Attending conference with Counsel	£1,230
8.	Attendance at day 1 of hearing on 8 June 2016	£4,590
9.	Attendance at day 2 of hearing on 11 July 2016	£4,320
10.	Attendance at day 3 of hearing on 14 July 2016	£4,050
11.	Attendance at inspection with Tribunal panel	£420
12.	Disbursements	£23
	TOTAL	£42,724.40

4. **TOTAL COSTS CLAIMED**

Organisation	Total (incl. VAT)
CMS	£56,311.44
Counsel	£15,740
Knight Frank	£42,724.40
GRAND TOTAL	£114,775.84
Proportion attributed to recovery of service charge arrears (83% as application concerned 83% service charge arrears)	£95,263.95
Less 17% of Rule 13 Award of £432 (previously paid by tenant)	-£358.56
TOTAL COSTS CLAIMED	£94,905.39

INVOICE

In accordance with S.47/48 of the Landlord and Tenant Act 1987, the Landlord's address for the service of any Notice is:

The Wellcome Trust
Gibbs Building, 215 Euston Road
London NW1 2BE



Managing Agents for your Landlord

Contact

Main Tel: 020-7629-8171 Fax: 020-7861-5157

Accounts:

Mr N Gowreesan 020 7861 1169

Surveyor:

Mr J Coddington 020 7861 1101

Hana Christie
2A Onslow Square
London SW7 3NP

Date	09/03/2017
VAT no.	744 4952 11
Tenant Ref	009548/013289
Invoice No.	448437

Premises: 2A Onslow Square London SW7 3NP

Due Date	Description	From	To	Amount	VAT Code	VAT %	VAT Amount
09/04/2017	Legal & Surveyors fees due pursuant to the Lease			94,905.39	E		0.00
	Total Arrears			5,312.14			0.00

DEFECTIVE PREMISES ACT 1972

This act increases a landlord's potential liability where damage or injury is caused by disrepair. It is essential that you report immediately to us as your landlord's Managing Agents any defect or item of disrepair which might give rise to liability under the Act.

IMPORTANT - PLEASE NOTE THE REMITTANCE DETAILS

Interest may be charged on late payment.

Please return the remittance slip to 55 Baker Street, London, W1U 8AN.

Please note that all dishonoured cheques may incur an Administration Fee.

Acceptance of payment from a person or company who is not the person named as Tenant does not imply recognition of that party as Tenant. Payments made by such a third party are only accepted on the basis that the third party is acting as Agent for the Tenant. Please ignore this demand if your payment has been sent

in the last five days, or has been paid by standing order or bank transfer.

Knight Frank is a Limited Liability Partnership.

TOTAL

100,217.53

ADD VAT

AMOUNT DUE

100,217.53

1 - 17.5%
2 - 8.0%
3 - 5.0%
4 - 15.75%
5 - 15.0%
6 - 20.0%
E - Exempt
O - Out of Scope
Z - Zero Rated

Cheques should be made payable to : Knight Frank LLP



Remittance Advice

Please detach and return this with your payment

From: Hana Christie
2A Onslow Square
London SW7 3NP

To: Property Accounts Department
Knight Frank LLP
55 Baker Street
London W1U 8AN

Bank Details: Knight Frank LLP Client Trust A/C Re Wellcome Trust
Barclays Bank Plc
A/C No: 63079619, Sort Code: 20-36-47
Swift Code: BARCGB22, IBAN No: GB43 BARC 20364763079619

Ref: 009548/013289

Cheques should be made payable to :
Knight Frank LLP

Total Arrears

448437

09/03/2017



Amount Due GBP

100,217.53