

Y Tribiwnlys Eiddo Preswyl
Residential Property Tribunal (Wales)
Leasehold Valuation Tribunal

Reference: LVT/WAL/BL/12

Tribunal

Mr R Taylor (Legal Chairman)

Mr R Baynham (MRICS)

In the matter of an application under s.168 Commonhold and Leasehold Reform Act 2002.

Property: 74 Blaen y Cwm Terrace, Treherbert, Treorchy, CF42 5NE

Applicants: Candice Jayne Goldstein and Marcelle Justine Rose

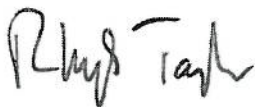
Respondents: Trevor Alyn Morgan and Amanda Beverley Morgan

1. This is an application dated 8 August 2012 for a determination whether there has been a breach of clause 14 of the lease dated 1 May 1914.
2. Directions were given in this matter on the 21 August 2012, for each party to set out their case in a statement and to indicate whether they are content for us to deal with this on the papers alone. Each party has filed a written response and have indicated that they are content for the matter to be determined without an oral hearing.
3. Clause 14 of the lease provides for the leaseholder to insure 3/4s of the value of the property with such office as is approved of by the lessor in the names of the lessor and the lessee. Further, "... will upon demand deposit the policy or policies of every such insurance with and produce the last receipt for the time being for the premium thereof to the lessor.... and in default thereof it shall be lawful for the lessor to insure and keep insured the same buildings ... and to recover the expenses thereby incurred ... in the same manner as for rent in arrear."
4. The tribunal considered that the relevant elements of the clause for the purpose of this application required the leaseholder to:-
 - a. Keep the property insured to 3/4s of its value
 - b. Insure with an insurance office approved by the lessor

- c. Insure in the joint names of the lessor and lessee
 - d. Provide upon request copy insurance policies and receipts for payment of premiums.
5. The Applicant's statement informs us of the following:-
- a. The freehold interest was acquired by the Applicants on the 8 March 2010.
 - b. The leasehold interest has been held by Trevor Alyn Morgan and Amanda Beverley Morgan since 1979.
 - c. On the 28 March 2010 the Applicants wrote to the Respondent informing them that they had acquired the freehold and requesting that in accordance with the terms of the lease, that they provide a copy of the insurance certificate.
 - d. On the 29 June 2010, and 12 July 2010 the Applicant sent further reminder letters but no response was forthcoming.
 - e. On the 16 September 2010 the Applicant insured the property for the sum of £110,000 with Aviva.
 - f. On the 4 October 2010 the Applicant forwarded copies of the invoice for the insurance premium to the Respondent with a request for payment.
 - g. On the 7 October 2011 the Applicant informed the Respondent that the insurance cover had been renewed for a further period starting 16 September 2011 and attached an invoice which included the arrears for the previous year.
6. On the 27 September 2012 the Respondent wrote to the Tribunal complaining that she had not been asked to produce insurance details during her 33 previous years of leasehold ownership and made reference to other matters which are not relevant to us in determining this application. It appears from the Tribunal file that attached to this letter was a list of documents which included copies of insurance premiums paid by the Respondent for the years ending 20 April 2011, 2012 and 2013.

7. On the 5 October 2012 the Respondent wrote a further letter to the Tribunal raising issues about the purchase of the freehold, something which is not relevant to this application.
8. Given the terms of the lease we are satisfied that the right to recover the insurance premiums "...in the same manner as for rent in arrear" does not, as a matter of construction, make this rent.
9. We find that the property has been and is insured by the lessee but the Respondent's failure to produce the insurance certificates in accordance with clause 14 of the lease resulted in the Applicants having to insure the property from the 16 September 2010 and also on the 16 September 2011.
10. We find that the Respondent has breached the lease by failing to produce copy insurance receipts when requested. Further, the copy insurance details, which the Respondent only submitted after proceedings were commenced, demonstrate that, in breach of the lease, the insurance for the years ended 20 April 2011, 2012 and 2013 are in the name of Amanda Beverly Morgan only and not, as required in the name of the lessor and lessee.
11. Accordingly the Tribunal determines for the purposes of section 168 of the Commonhold and Leasehold Reform Act 2002 that the Respondent is in breach of the covenant under clause 14 of the lease.

6 November 2012



Legal/Procedural chairman

