

IN THE LEASEHOLD VALUATION TRIBUNAL

Case No: LVT/0021/10/25

S.27A Landlord and Tenant Act 1985

Premises - Innisfree House, The Green, Llansteffan

Applicants: Sarah & Clive Ganczarski and

Respondent: Jonathan Cross

**Before: Judge Shepherd
Juliet Playfair, Lay Member**

Date: 23/4/26

DETERMINATION

1. This case concerns a dispute over insurance contributions. The Applicants are leaseholders of premises at Innisfree House, The Green, Llansteffan ("The premises") which is on the first and second floor. The Respondent is their landlord and also the leaseholder of premises on the ground floor of the same building called Porthdy. The freehold of the building is owned by Innisfree Complex Limited which in turn is owned by shareholders who are leaseholders including the parties.
2. The building is insured by Great Lakes Insurance SE. The insurance is taken out by the freeholder who pass the cost on to the Respondent who in turn collects a contribution from the Applicants. The dispute relates to the amount of that contribution. Both parties have fixed and entrenched views about how the apportionment should be carried out. The insurance block policy was last renewed in 2025.

The hearing

3. The hearing on 23rd April 2026 was attended by the parties and representatives of the freeholder namely, Jim Vaughan, Paul Meek and Sally Power. Both parties outlined their positions and the Freeholder's representatives also contributed by way of submission. After considerable debate there appeared to be a consensus for the way forward suggested by the Tribunal.
4. As in many cases the lease offers the clear solution to the dispute. Clause 2.2 states the following in relation to insurance:

A sum or sums of money in each year of the term equal to the amount or amounts (including any increased premiums payable by reason of any act neglect or default of the Tenant or servants agents or visitors of the Tenant) which the Landlord shall expend in each year of the term in or in respect of effecting or maintaining the insurances in respect of the insured risks (or if the demised premises are insured jointly with other premises of the Superior Landlord such sum or sums attributable to the demised premises as shall be reasonably determined by the Surveyor whose decision shall be final and binding on the Tenant except in the case of manifest error) such sum or sums to be paid on demand at any time

5. Whilst the reference to the surveyor's decision being final and binding falls foul of s.27A(6) of the Landlord and Tenant Act 1985 which renders such agreements void it is still the intention of the parties to the lease to use the surveyor mechanism for resolving disputes in the first instance.
6. The Applicants had been seeking to resolve the dispute by way of an independent surveyor but had not been willing to pay the cost in total of the surveyor's work. The Respondent did not consider that the use of a surveyor was appropriate although it is fair to say that he accepted the sense of it by the end of the hearing.
7. The Applicants for their part also accepted that they should pay for the surveyor by the end of the hearing. They were the ones wanting to pursue this course and the lease is silent as to who should pay. The common - sense interpretation is that the party wishing to pursue the surveyor route should pay for it.
8. By the end of the hearing there was a consensus position as follows:
 - a) A surveyor would address the issue of apportionment of insurance contributions.
 - b) The inspection would include Innisfree House, Porthdy and its annex.
 - c) The Applicants would meet the cost of the surveyor.
 - d) If the matter was still unresolved notwithstanding the surveyor's involvement the parties could apply to lift the stay I am going to impose (see below).

Determination

1. The matter is stayed pending the report of a surveyor into the appropriate apportionment of the insurance contributions.
2. The Applicants shall finance the cost of the surveyor.
3. The parties are at liberty to apply to lift the stay but any application will need to attach the surveyor's report and detailed reasons as to why the party applying does not accept the surveyor's report.

4. If neither of the parties apply to lift the stay by 4 pm on 23rd July 2026 the application is dismissed without further order.

Dated this 28th day of April 2026

Judge Shepherd