



LONDON RENT ASSESSMENT PANEL

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL ON AN APPLICATION UNDER THE COMMONHOLD AND LEASEHOLD REFORM ACT 2002 SECTION 168(4) (Breach of Lease Covenants)

Case Reference:

LON/00AH/LBC/2013/0035 (AG)

Premises:

Ground Floor Flat, 39A Morland Road, Croydon,

Surrey, CR0 6HA

Applicant(s):

Mr G. Boyce and Mrs S. Boyce (Landlord)

Representative:

Mr Mark Jones of Counsel

Respondent(s):

Mr J. Coyne (Leaseholder)

Representative:

In person

Date of hearing:

8th May 2013

Mr & Mrs Boyce

Also Present:

Leasehold Valuation

Tribunal:

Mr L. W. G. Robson LLB(Hons)

Ms S. A. Coughlin MCIEH

Date of decision:

22nd May 2013

Decisions of the Tribunal

- (1) The Tribunal determines that the Respondent is in breach of his lease dated 2nd August 1957.
- The Tribunal found that there had been a historic breach of Clause 2(1), due to late payment of rent, uncured breaches of Clause 2(4) (breach of covenant to maintain the property in good condition), Clause 2(5) (failure to paint the interior of the premises every three years), Clause 2(8) (failure to obtain prior written consent for alterations), and Clause 2(13) (using the premises for receipt of business post). There had been no breach of Clause 2(13) (cooking smells causing nuisance or annoyance).
- (3) The Tribunal makes the detailed determinations noted below.

Preliminary:

- 1. In an application dated 8th March 2013 the Applicants applied for a determination under Section 168(4) of the Commonhold and Leasehold Reform Act 2002 (the Act) that breaches of the lease of the property dated 2nd August 1975 (the Lease) had occurred, prior to the issue of a notice under Section 146 of the Law of Property Act 1925. The Respondent is the current Lessee. An extract from Section 168 is attached as Appendix 1, and a copy of the Lease is attached as Appendix 2 below.
- 2. Pre-trial Directions were given on 28th March 2013. The Applicants made written submissions with their application and again on 29th April 2013. The Respondent made a written submission dated 24th April 2013.

Hearing

3. At the hearing, the Applicants submitted that the Respondent was in breach of the Lease in the following respects:

Clause 2(1)

To pay rent of £10 per annum by quarterly payments on the "usual quarter days".

Clause 2(4)

To keep the premises in good and substantial repair and condition, in particular the foundations, external and internal walls.

Clause 2(5)

To paint all parts of the interior of the Premises, which are usually painted, at least once in every three years of the term

Clause 2(8)

No alterations shall be made to the plan or elevation of the Premises or any party wall or structure or principal or bearing walls, without the written consent of the landlord first having been obtained.

Clause 2(13)

Not to carry out any professional trade or business upon the Premises or for the premises to be used iin any manner that allows nuisance or annoyance to be caused either to the neighbourhood or to the landlord or the occupiers of the upper maisonette.

4. The Applicants submitted the breaches were:

As to Clause 2(1)

The Respondent had failed to pay rent on the due quarter days in September and December 2012 and was thus £5 in arrears. The Respondent was frequently in arrears. At the date of the hearing the arrears had been cleared.

As to Clause 2(4)

The Respondent had made a number of alterations (more particularly noted relating to Clause 2(8) below) which might have altered the structural stability of the building.

As to Clause 2(5)

The Respondent had failed to paint the interior of the Premises since 2004/5.

As to Clause 2(8)

The Respondent had carried out alterations without prior written consent, consisting of:

- (i) Blocking up the bathroom window on the rear wall of the property
- (ii) Creating a new window in the rear wall
- (iii) Blocking up a window in the flank wall
- (iv) Partially blocking up a doorway and creating a new window
- (v) Blocking up two internal doorways and creating two new doorways in the internal loadbearing walls
- (vi) Installing a stud wall to create a second bedroom

This work had substantially been completed in 2005/6.

As to Clause 2(13)

Post arriving regularly in the communal hallway were addressed to several businesses at the property AND

Pungent cooking smells from the kitchen were regularly coming into the upper flat and causing a nuisance and annoyance to the Applicants.

The Applicants' main concern was the breach of Clause 2(8), but the other breaches complained of were relevant.

5. The Respondent in his written submissions and in his oral evidence effectively admitted most of the breaches.

As to Clause 1;

He agreed that he had not usually paid rent on the quarter days as the sums were small. He sometimes had paid in advance. He had now paid for the whole of 2013 and was prepared to set up a Direct Debit.

As to Clause 2(4)

He agreed that he had not got prior written consent, but he considered that the property was now in far better condition than it had been previously, as it had been modernized. He had paid for a Building Regulations Approval Certificate in 2010. There were still several items outstanding; a certificate relating to the electrical wiring, a gas safety certificate and mains operated smoke alarms with battery back-up. At the hearing, he submitted that the only matter outstanding was that of the smoke alarms.

As to Clause 2(5)

He agreed the interior had not been painted since 2005. The current tenants did not want to be disturbed, but no one was refusing to paint if the landlord wanted it done.

As to Clause 2(8)

He agreed he had not got prior written consent from the landlord, although he thought that he had verbal approval. He agreed that he had been asked for copies of the relevant approvals, although planning permission was not necessary for the work.

As to Clause 2(13)

He agreed that mail to some of his companies was sent to the property. He did not consider this a breach of the Lease. As to the cooking smells, he had never received any complaint prior to the application. He thought the cause of the smells was a defective extractor fan and would deal with it.

7. At the hearing, a number of additional factual details were given to the Tribunal by the parties.

Decision

- 8. The Tribunal considered the submissions and evidence. In view of the Respondent's admissions, the Tribunal considered that there had been undisputed breaches of Clauses 1, 2(5), and 2(8). The Applicants however agreed that at the hearing the rent was paid up to date.
- 9. As to Clause 2(4), the Tribunal accepted that the property was now likely to be in better condition than it was previously, but it was common ground that items noted in Clause 2(4) had been altered. Mr Jones submitted that the clause related to the property in its original state and the fact that alterations had been carried out of itself was evidence of a breach of the clause. Reluctantly the Tribunal accepted

this submission. For example, the rear wall had been cut to accommodate a new door and window. Without permission from the landlord, this was a breach of Clause 2(4). A court might well go on consider whether any actual damage has been caused to the landlord, but the Tribunal apparently does not have such power under Section 168.

- 10. As to Clause 2(13), the Tribunal examined both parties on the extent of the use of the property for receiving business post. Mr Boyce's unchallenged evidence was that post for the Respondent's companies was received in the common hallway about twice per week and that there had been about 40 items of post in the last 4-6 months. He found it annoying. The Respondent did not disagree with the evidence, but considered that he was not using the property for business purposes and the receipt of business post was not a breach of covenant. The use had gone on for some time and the landlord had never objected to it.
- 11. The Tribunal considered the particular wording of Clause 2(13). It provides:
 - "(13) And will also not at any time during the said term carry on or permit to be carried on any profession trade or business whatsoever upon the said premises or any part thereof or permit the same or any part to be used in any manner other than as a single private residence or in any manner so that any nuisance or annoyance can arise therefrom to the neighbourhood or to the Lessor or his tenants or occupiers of premises adjoining or near thereto and shall in particular not affix or display any plate, board, or notification of any kind that any profession or business whatsoever is carried on upon the said premises And will also not affix erect or display upon any part of the said demised premises any placard board poster sign advertisement notice or writing (except the name and number of the said maisonette and a notice board of the usual size employed by house agents to indicate that the said demised premises are to be let or sold).
- 12. The Tribunal considered that the alleged breach was very much a borderline case. The clause appeared mostly to relate to public signs of business use. The demised premises were being used as a single private residence by the Respondent's tenants. The amount of post being received was not great, and from the evidence given by Mr Boyce, it seemed that it had only been considered a nuisance relatively recently. If the Respondent had been living at the property, the Tribunal considered that it might well have found that the alleged breach was trivial, and a reasonable part of the residential use. However in this case the Respondent appeared to be making some additional use of the property beyond that of a single private residence. In that case there appeared to be a breach, although no objection had apparently been raised for some years. Case law suggests that it is for the courts to consider matters of waiver, not this Tribunal. In the end the Tribunal,

with some reluctance, decided that there was a breach of clause 2(13) relating to business use.

- 13. Relating to the cooking smells, the parties explained that the new flat layout resulted in the ground floor kitchen now being below the bathroom and bedroom of the upper flat. Mr Boyce stated that the problem had started about 2 years ago. He agreed that the problem had started some time after the current tenants had moved in. From his discussions with the tenants he believed that their extractor fan broke at about that time. The smells were very strong about twice a week. They came into the bathroom first and then through to the bedroom. It was annoying. The Respondent stated his opinion that the smells had nothing to do with the building works. The kitchen and bathroom downstairs had false ceilings which would help prevent the smell. It had only been raised with him in January 2013. The current tenants had been there for 5 years, and the smells had only been a problem for two years. He disagreed that the extractor fan had been broken for 2 years. but agreed that he should have dealt with the problem between January 2013 and the date of the hearing.
- 14. The Tribunal again considered Clause 2(13) in detail. Taken as a whole, the intention of the clause appears directed to uses of the property for business, or trade. As a matter of construction, the references to nuisance and annoyance seem qualified by particularising "shows" of business. While the Tribunal accepted that cooking spells could be a very considerable nuisance or annoyance, that issue does not appear to be covered by the intention and wording of Clause 2(13). The Tribunal decided that the cooking smells were not a breach of Clause 2(13).
- 15. To summarise, the Tribunal found that there had been a historic breach of Clause 2(1), due to late payment of rent, uncured breaches of Clause 2(4) (breach of covenant to maintain the property in good condition), Clause 2(5) (failure to paint the interior of the premises every three years), Clause 2(8) (failure to obtain prior written consent for alterations), and Clause 2(13) (using the premises for receipt of business post). There had been no breach of Clause 2(13) (cooking smells causing nuisance or annoyance).
- 16.. The Tribunal therefore determined that a breach of a covenant or condition in the Lease had occurred and granted the application made by the landlord pursuant to Section 168(4) of the Act.

Signed: Lancelot Robson Chairman

Dated: 22nd May 2013

Appendix 1

Section 168(4) Commonhold and Leasehold Reform Act 2002

(4) A landlord under a long lease of a dwelling may make an application to a leasehold valuation tribunal for a determination that a breach of a covenant or condition in the lease has occurred.

Appendix 2

Lease dated 2nd August 1957

See attached

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**ETHEL June THY Louise NAME of bish herewise the Laston Spinster (hereinafter called the Lassors) of the other part

**HITHESETS as follows

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of support and protection to the said lower maisonatte (as inveinbefore described) as the same are now enjoyed and in particular from and by the said upper maisonatte and the buildings adjoining the said building and (a) all other (if any) mays rights easuments and appartechances to the promises hereby demised belonging or appartaining BICEPI AND RESERVING unto the Lessor his successors in title and assigns and the tenants or occupiors of the said upper maisonette and all other persons omtitled thereto (i) the right to pass and repease on foot only at all times in common with the lesses over and along the said pieces or purples of land . cobured brown on the said plan (ii) the right to pass and regams at all times in over and through the entrance hall of the demised premises to the stairmy leading to the upper maisonette (iii) the right to the free and uninterrupted passage and running of water soil cas and electricity fromand to the said upper saisonette and other buildings and land adjoining or near to the premises hereby demised through the severs drains extercourses unterpipes gutters grapipes and electric cables wires and methor which are now or may horositer during the term hereby granted be in or inder or upon . the premises hereby denieed and the right to enter in and upon the promises hereby desised at all reasonable hours in the daytics for the purpose of inspecting maintaining or repairing the same or laying such further drains secent untercourses cables pipes or wires as may from time to time be measured but not so as to occasion any manus unnecessary damage to the learner and no that any damage occasioned by the experien of such right shall be made good (iv) the rights of support and protection to the said upper saisonatte (so hereinbefore described) and the buildings' (v) men Wellokeon a costillin on the premises hereby denised and repetition that the control of 24 day of Jane the term of 99 years from the One thousand nine hundred and fifty seven YELDID AND PATHO Curing the said tem (and so in proportion for any part of a year) the meanly ment of TRI POURDS by equal mathly payments on the usual questic day por much ***** from and clear of all deductions whatevers (except landlard's property tax) the fiscat monthly payment or a proportionate part thereof

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- (2) and will also pay all rates taxes charges assessments impositions and outgoings of every description which now are or during the said term shall be imposed rated taxed charged assessed or made payable upon or in respect of the said premises or any erections thereon or additions thereto, or on the lessor or lesses or on the owner or the occupier in respect thereof whether by authority of Parliament or otherwise however (except landlard's property tax)
- (3) And will also during the said term my see half the control of the control of
- (4) and will also during the said term keep the said/presizes and the drains severs watercourses waterpipes cisterns tanks gutters campipes electric cables and wires and all appartenances thereof in good and substantial repair and condition and in particular the foundations and the external and internal wills of the said presizes and the freer of the said upper existenct preside the case in good and substantial repair deliver up to the lessor at the expiration or seener determination of the said term together with all things in the nature of landlord's fixtures which at any time during the said term shall be affired and belong to the said premises.
- (5) And in particular will paint with two coats at least of good cil colour in a proper and workhanlike namer and in a colour or colours to

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which the approval of the Lossor shall have proviously been obtained all clerking () in the Lossoft with the outside wood and iromork of the said provious and all additions thereto once in every three years of the said term and such surte of the inside of the said provises as have been usually painted once in every Three manus years of the said torm the last painting both inside and outside to be in the year immediately preceding the termination of this Losso housewer the same shall be determined and will at the same time with of the departed principal every outside painting restors and make good the outside studes work helper's ever necessary and at the mane time with every incide painting whiteman paper grain and vernish and colour such parts of the inside of the said prevaises as are usually whitemashed papered frained vernished and coloured. towards the costs and expenses of supporting repairing and adjustming rebuilding and classing the passageony coloured brown on the said plan and all walls gutters sewers drains pipes watercourses unterplies cisterns tanks party walls party structures fances excessorts and appuntenances belonging to or used or capable of being used by the leases of the said promises in common with the Lessor owners tenants or occupiers of the premises near to or adjoining the despised premises or of which the damiced premises form part and in particular the said upper chisconstte and that such properties shall (in default of agreement with the other persons liable to contribute towards such costs and expenses to ascertained by the Lessor or his authorised surveyor or agent whose doctator shall be final and will keep the Leaser indomnified against all such conta and expenses as aforesaid (1) And also will not hinder or obstruct in any manner the papeage on foot

(i) And also will not hinder or obstruct in any mammar the passage on foot of persons over the land coloured brown on the said plan

(ii) And also will execute all such works as are or may under or in pursuance of any act or acts of Parliament already passed or hereafter to to passed be directed or required by any local or public authority to be executed at any time during the said term upon or in respect of the said demised precises (whether by the landlord or tenant thereof) or in respect of the streets adjoining thereto or the sewers or drains thereuncer

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(0) and also wilk that no situration shall be made in the plan or elevation of the said lower existentite and promines hereby denised or in any party wall or structure nor in the principal or bearing talls or timbers of the said maintagette and premises without the provious linguous. in writing of the lessor first had and obtained and will not without such licence as aforesaid erect any additional building or shed of but temporary or otherwise on the land coloured green on the said plan (10) and also will permit the Lesser or his agent with or without workmen and others twice or oftener in every year during the said tora at convenient hours in the daytime to enter into and upon the demised premises or any part thereof to view and examine the state and condition thereof and of all such docays defects and wants of repuration as shall be then and there found to give to the Lesmons notice in writing to repair and amend the same and if within three calendar contin then pext following the leases shall not have executed such remains and assertants then the Lesses will permit the Lesser and all pursons authorized by him to enter upon the denised premises and describe such repairs and amendments and the cost thereof shall be a debt due to the lessor from the Langue and be forthwith recoverable by action

(hd) and also will parait the Lanner or the cumers temants or occupiors of the land and buildings adjoining or adjacent to the presides hereby demined or any part thereof and in particular of the mid upper maisonatte and all pursons authorized by them to enter into the mid demised premises at responsible hours during the daytine for the purpose of repairing adjoining or adjacent buildings and in particular the said upper maisonatte and constructing laying down altering classing emptying or maintaining any severs drains untercourses gutters waterpipes electric wires gaspipes or appliances in connection with or for the accommodation. of adjoining property and in particular the said upper raisonatte and any hours or buildings for the time being erected on such adjoining or adjacent land and the fencessalls or drains thereof as often as they shall require without interruption by the Lagues the Laguer or such owners tomants or occupiers doing as little damage as may be in the expressioned such right and making good to the Lagues all damage and injury occasioned

thereby and restoring the surface of the soil and everything erected thereon without any unreasonable delay and without making any componention for any temporary damage or inconvenience

(12) And also will at her com expense maintain in good repair and condition the fermes along the sides of the land hereby demiced marked

or soil from the said demised premises except for the purpose of erecting any building paralited by these presents

(14) and also will insure and keep limited the said desired promises from loss or damage by fire and aircraft and things dropped or falling therefron in the joint names of the leasor and Leason in the Royal Indurance Company Minited Croydon Branch or in some other, wall-established office to be stipulated by the Lessor in a sun equal to the full value thereof And will pay all promiums and sums of money necessary for that purpose An d will immediately efter such insurance shall have been effected and thereafter whenever required produce to the leasor or his agents the policy of such insurance and the receipt for every such payment and will. apply or cause to be applied all coneys received by virtue of such insurance in rebuilding and reinstating the said presides according to the present plan and elevation or in such other manner as shall be approved of in writing by the surveyor for the time being of the Lessor and if the moneys so received chall be insufficient for the prepose of rebuilding and reinstatement the Lasses will pay the deficiency out of WA SERBYE

. (19) And also will not at any time during the said torm carry on or parall to be carried on any profession trade or business whatcoover upon the said premious or any part thereof or permit the units or any part thereof to be compled or used in any other namer than as a circle private residence or in any samer so that any nuisance or annoyance can arise therefrom to the neighbourhood or to the Lessor or his temants of occupiors of premions adjoining or most thereto and in particular the temants or occupiors of the said upper maisonette and shall not erect affix or display any plate board or notification of any kind indicating

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the said/premises any placard board poster sign advertisement notice or writing (except the man and number of the said maisonette and a notice board of the usual size employed by house agents to indicate that the said declared premises are to be let or sold)

belonging to any premions the satute or interest whereaf in passentian or reversion now is or hareafter my be in the Lauser or any person or persons in trust for the Lauser.

and also will not uncover (except for the purpose of inspection repair or maintenance) or demage any membole belonging to any drain or never in or under the designed premises

nortings charge or underlease of the said previous or of any devolution of the interest of the Lease therein with the solicitor for the time being of the leaser within themty one days after the same shall have been affected except underleases at a rack rentfor a period not exceeding three years. And will pay to the said solicitor a fee of the pound one shalling for the registration of each and every assignment transfer mortgage charge underlease or probate of will letters of administration against Order of the Court or other document under which such devolution arises or is evidenced.

- 3. IT IS HENEBY KNEED AND EXCLARED that the floor between the said lower reasonatto and the said appear reasonatto is a party structure
- part thereof shall be in arrear for the space of twenty-one days after any of the days whereon the sense ought to be paid as aforensid whether the sense shall or shall not have been legally demanded or if there shall be any breach or non-observance of any of the Lesson's severants hereinbefore contained then and in any of the maid cases it shall be lawful for the lesson at any time thereafter into and upon the solid demiced premises or any part thereof in the same of the whole to re-enter and the same to have again repossess and only as af his former estate.

- 5. AND the Leasor COVENAMES with the Leases that the Leases paying the rents hereby remirved and observing and performing the coverants and conditions herein contained and on his part to be observed and performed shall and my peaceably and quietly possess and anjoy the said promises hereby domined during the said term without any lawful interruption from or by the lessor or any persons rightfully claiming from or under him or in trust for him or them or by title paramount
- IT IS INCLAINED that (a) all rights and obligations of the Leasor and Losson respectively under these presents shall be incident to dad devolve upon the reversion expectant on this loads and the leadshold interest hereby created respectively and shall accordingly be enjoyed and observed and purformed by the person or persons in whom suc reversion and leanshold interest respectively shall for the time being be vested
 - (b) That any notice hereby required or authorised to be given to the Lessor or the lessoe respectively shall be in writing and may be given in any of the modes provided by section 196 of the law of Property Act 1925 with respect to the notices to be given to lessors or tensens (as the case may be) under that Act
- 7. Ill this Lease where the context so admits the expression "the Leaser" shall include the person or persons for the time being entitled to the reversion issociately expectant on the determination of the term hereby granted and the expression "the Lasses" shall include the lesses and kin her successors in title.
- 8. If B BEREY CERTIFIED that the transaction hereby effected does not form part of a larger transaction or of a sarios of transactions in rispect of which the amount or value or the aggregate amount or value of the consideration other than rent exceeds three thousand, pounds.

IN WITEESS whereof the parties hereto have hereunto set their hands and seals the day and year first-above written.

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