

THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES

UNIT 10 – LANDLORD & TENANT LAW*

Time allowed: 3 hours plus 15 minutes' reading time

Instructions to Candidates

- You have **FIFTEEN** minutes to read through this question paper before the start of the examination.
- It is strongly recommended that you use the reading time to <u>read</u> this **question paper fully.** However, you may make notes on this question paper or in your answer booklet during this time, if you wish.
- All questions carry 25 marks. Answer FOUR only of the following EIGHT questions. This question paper is divided into TWO sections. You MUST answer at least ONE question from Section A and at least ONE question from Section B.
- Write in full sentences a yes or no answer will earn no marks.
- Candidates must comply with the CILEx Examination Regulations.
- Full reasoning must be shown in answers. Statutory authorities, decided cases and examples should be used where appropriate.

Information for Candidates

- The mark allocation for each question and part-question is given and you are advised to take this into account in planning your work.
- Write in blue or black ink or ballpoint pen.
- Attention should be paid to clear, neat handwriting and tidy alterations.
- Complete all rough work in your answer booklet. Cross through any work you do not want marked.

Do not turn over this page until instructed by the Invigilator.

^{*} This unit is a component of the following CILEx qualifications: LEVEL 6 CERTIFICATE IN LAW and the LEVEL 6 PROFESSIONAL HIGHER DIPLOMA IN LAW AND PRACTICE

SECTION A (Answer at least one question from this section)

- 1. Critically examine:
 - (a) the conditions that must be satisfied in order for a tenancy to enjoy security of tenure under Part II of the Landlord and Tenant Act 1954;

(17 marks)

(b) whether the reforms introduced by the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 have made it more difficult for landlords to exclude security of tenure.

(8 marks)

(Total: 25 marks)

2. Critically discuss whether, as a matter of law, a surrender of a lease may be unintentional.

(25 marks)

3. 'Prior to the Landlord and Tenant (Covenants) Act 1995, the doctrines of privity of contract and privity of estate caused real problems for landlords and tenants. The Act has resolved those problems.'

Critically discuss this statement.

(25 marks)

4. Critically discuss whether the protection provided to holders of long residential leases, in relation to service charges, places too onerous a burden on landlords and/or their agents.

(25 marks)

SECTION B (Answer at least one question from this section)

Question 1

Gareth is the long leasehold owner of a flat in a block in London which is owned by Kempston & London Housing Limited (KLHL). In March 2020, Gareth let the flat to Fatima on an assured shorthold tenancy for an initial term of six months and thereafter from month to month.

Recently, Fatima sent a letter to Gareth listing the following complaints:

- the flat suffers from both damp and mould;
- the gas boiler in the flat sometimes switches itself off after 30 minutes' use and won't then restart for several hours;
- the entrance system to the block of flats only works intermittently, the stairwells are never lit, and the lift is covered in graffiti.

Gareth sent a surveyor to inspect the damp and the mould. The surveyor informed Gareth that the block of flats appeared to have been built without a cavity wall, and that this was the cause of the damp. The surveyor also told Gareth that there was very little that could be done to prevent the mould, given the degree of damp in the flat; the surveyor did, however, recommend cleaning off the mould as and when it appeared, and making sure that the flat was properly ventilated during the winter months.

Gareth reported the surveyor's findings to Fatima and said that he expected her to clean the mould and to keep the windows in the flat open as much as possible. Fatima's response was that the flat was not, in her words, 'fit for purpose', and Gareth should 'sort it out'.

The gas boiler continues to behave erratically.

Advise Gareth as to:

(a) whether he has any obligation to deal with the damp, the mould or the gas boiler;

(18 marks)

(b) any claim he might have against KLHL in relation to the entrance system, the stairwells and the lift.

(7 marks)

(Total: 25 marks)

Question 2

Jolene is the freehold owner of a pub.

In October 2015, Jolene let the pub to Kieran for a term of five years, commencing on 29 September 2015, at an annual rent of £60,000 payable monthly in advance. By agreement with Jolene, Kieran paid the rent directly into her bank account by standing order. The tenancy was contracted-out of the Landlord and Tenant Act 1954.

In June 2020, Kieran asked Jolene if she would be willing to grant him a new lease of the pub once the existing lease came to an end. Jolene said that she would be happy to do so on the same terms as the existing lease. They shook hands on their agreement, and Jolene said that she would arrange for her solicitors to draw up the necessary paperwork.

A couple of weeks later, Jolene's solicitors sent draft Heads of Terms to Kieran, setting out the proposed terms of the new lease. The covering letter from the solicitors asked Kieran to sign the Heads of Terms as an indication of his agreement to them and then to return the signed document to the solicitors. Kieran duly did so and subsequently received a letter from the solicitors confirming that the signed document had been received.

However, several months then passed during which Kieran had no contact with Jolene; nor did he receive a new lease from Jolene's solicitors. Kieran remained in occupation of the premises and continued to make the monthly rent payments of \pounds 5,000.

Last week, Kieran received a letter from Jolene's solicitors, informing him that Jolene had been seriously ill for some months (to the extent of being unable to deal with her affairs), and had died on 6 January 2021. The letter went on to say that because the old lease had expired, and because Kieran had not signed a new lease, he had no right to remain in occupation of the premises and would have to leave in seven days.

Advise Kieran as to his rights of occupation.

(25 marks)

Question 3

Monica is the owner of a large detached house. It was formerly used as a bed and breakfast hotel but closed for business in February 2020.

Monica bought the property in March 2020, with a view to demolishing it and building a block of flats on the cleared site. Recognising that it would take some time to secure planning permission and funding for these works, and not wishing the property to remain empty throughout that time, she advertised for a 'Property Guardian' to live in the property, until she was ready to proceed with the works.

Nico responded to that advert. In April 2020, he and Monica entered into a written agreement, which contained (among others) the following terms:

- Nico would act as 'the Guardian' of the property.
- In that role, Nico would be entitled to live in the property rent-free, but he would be expected (as far as necessary) to keep the property secure, to deter vandals and to report instances of damage or disrepair.
- The initial period of the agreement would be three months, and thereafter from month to month, terminable on one month's notice by either party.
- Nico could use any one of the bedrooms in the property as his 'personal living space' and could make use of the kitchen and any one of the bathrooms.
- Nico would reimburse Monica for gas and electricity used by him during his period of occupation.
- Nico would not be allowed to let anyone else live at the property.

The agreement was headed 'Licence' and expressly stated that: 'The parties acknowledge that nothing in this agreement confers any right of possession on the Guardian and no relationship of landlord and tenant is hereby created'.

Nico moved into the property on the day on which the agreement was signed. He and Monica both have a set of keys, but Monica has never entered the property since signing the agreement.

Monica is now ready to proceed with the demolition of the property. She has written to Nico, giving him one month's notice to vacate, but Nico is refusing to leave.

Advise Monica.

(25 marks)

Question 4

Anna lives in a flat in Kempston, which she occupies as her home. She has met her landlord only once, but the flat is managed by Kempston Residential Management Limited (KRML). Anna has no paperwork relating to her occupation but thinks that she moved in at some point in 1996 or 1997. She pays a monthly rent of £450 to KRML.

Anna has recently fallen into arrears with her rent payments, as she had to take six months' unpaid leave from work to care for an elderly relative. She currently owes four months' rent but hopes to be able to clear the arrears within the next three months, as she has now returned to work.

Anna has never been behind with her rent before. She telephoned KRML to explain her situation, but its representative (Barbara) was unsympathetic. Barbara informed Anna that if the arrears were not cleared by the end of the month, then KRML would take steps on behalf of Anna's landlord to evict Anna from the flat.

Advise Anna.

(25 marks)

End of Examination Paper

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