

Sajid Mohammed Abbas Khan

Student ID: 2229444

Introduction

This foundational argument is being presented on behalf of Jennifer Williams, who is the defendant in this case. A declaration that the claimant, Sarah Morgan, has a fifty per cent beneficial interest in the property, the Gatehouse, Trinity, Swansea, SA52 8RF. This property, owned by the defendant, is what the claimant is requesting. Given that neither a constructive trust nor a proprietary estoppel can be established based on the facts or the law, the defendant seeks to have the claim dismissed by the court.

The issues

The Court is obligated to take a decision on two different matters. To begin, the question about whether or not a common intention constructive trust was established notwithstanding the fact that the Defendant was the sole legal owner of the property. A second question that needs to be answered is whether or not the claimant may show proprietary estoppel through assurance, reliance, detriment, and unconscionability if there is no constructive trust. As a result of the Defendant's contention that neither of the doctrines in question is applicable, the Claimant's case is deemed to be deficient in every important aspect.

The facts

Due to the fact that the defendant is the sole registered proprietor (TR1), the property was purchased by the defendant in 1995 using money that was inherited. During the course of the relationship, the claimant moved in, but she did not make any contributions towards the purchase. There was a joint account that was used to divide the costs of the household. During the year 2014, both parties were provided with legal counsel that confirmed exclusive ownership and suggested a declaration of trust if ownership was expected to be split. There was no execution of such a declaration. It was the claimant's personal savings that were used in 2019 to pay for repairs that were necessary after storm damage. In later years, the parties parted ways.

Claim arising under a constructive trust

The Law

Lloyds Bank plc v. Rosset (1991) is the case that serves as the guiding authority for proceedings involving sole-name cohabitation. Only in situations where there is either an express shared intention to share ownership or conduct from which such an intention can be inferred, provided that the action in question is entirely referable to the acquisition of a proprietary interest, does a constructive trust come into existence.

The nature of this examination has been demonstrated by subsequent cases. It was decided by the Court of Appeal in the case of Holman v. Howes (2007) that domestic contributions and relationship-based promises are not sufficient to prove a beneficial interest. In the case of Liden v. Burton (2016) found that frequent payments towards household expenses did not provide sufficient evidence to justify an inference of ownership.

As was established in the case of Culliford v. Thorpe (2018), the fact that parties are encouraged to formalise ownership but fail to do so is a significant factor that weighs heavily against any assertion of purpose. There is no disagreement regarding the law itself; the matter at hand is how it is applied to the facts.

Submissions

On the basis of the information presented here, it is not possible to establish an express common intention. As an example, the claimant relies on generic remarks such as "you have nothing to worry about," which are normal expressions of comfort within the context of a relationship. Statements of a similar nature were deemed insufficient to provide evidence of an intention to share ownership in the case of Holman v. Howes (2007).

The actions of the claimant do not raise any inferences about their intentions. A cohabitation arrangement, as opposed to an ownership arrangement, is consistent with shared household expenses, childcare, and contributions to living costs. The payment that the claimant made for repairs in 2018 does not meet the criteria for establishing intention because it was made after she had received legal advice confirming that she did not have any proprietary interest.

It is also important to review the letter that the solicitor sent in 2014. It was made abundantly plain to both parties that the defendant was the sole owner of the property, and that a declaration of trust was necessary to change that situation. The fact that this advice was not followed is similar to the circumstances that occurred in the case of Culliford v. Thorpe, in which the court denied the existence of any common intention.

The way in which the Claimant relies on fairness is not justified. A decision made by the Court of Appeal in the case of Geary v. Rankine (2012) established that courts are not permitted to infer the intention of a party simply because the outcome looks to be unfair. There is still an absolute need for title assurance.

Conclusions

It has been demonstrated that the claimant has not demonstrated any stated or inferred common intention. As a result, there was no formation of constructive trust,

and so this ground of claim must be rejected.

Claim arising under a proprietary estoppel

The Law

It is necessary to provide evidence of four components in order to establish proprietary estoppel: assurance, reliance, detriment, and unconscionability. It was determined that this is the case in *Thorner v. Major* (2009). For the court to examine any potential remedy, each component must first be satisfied.

An unequivocal assurance is required to be provided. In family relationships, informal statements are rarely sufficient to convey the intended meaning. There must be a reasonable reliance, and there must be a causal link between that reliance and the resulting harm. According to the decision that was handed down in *Guest v. Guest* (2022), even in cases when these factors are proved, the remedy is discretionary and must reflect the minimum equity to effectively administer justice.

Submissions:

There is no clear assurance that the claimant would obtain an interest in the property, and she is unable to identify any such promise. It is not possible to make guarantees that are proprietary based on general assurances of support. In the case of *Geary v. Rankine*, the court dismissed estoppel allegations that were dependent on domestic assumptions rather than express promises.

In the years following 2014, any asserted reliance was unwarranted. It was made abundantly clear to the claimant that she did not possess any proprietary rights and that formal procedures were going to be necessary to establish them. In accordance with the decision in *Culliford v. Thorpe* (2018), continuing to act on a contradictory belief was therefore unreasonable for the defendant.

The claimant's expenditures on repairs do not constitute damage that may be legally held accountable. In the case of *McDonald v. Frost* (2021), the court decided that the court does not have the authority to establish proprietary estoppel when it comes to voluntary financial donations made for domestic reasons. The payment made by the Claimant was the result of her own free will; she did so with complete awareness of her legal status, and she was not influenced by any guarantee.

Even if the elements were proven to be present, it would not be immoral for the defendant to continue to hold sole possession of the property. The judgement in the case of *Guest v. Guest* (2022) demonstrates that expectations are not automatically implemented and that equity intervenes with caution.

Conclusions

It has not been established that the claimant has provided any assurance, reliance, detriment, or unconscionability at all. The existence of proprietary estoppel is not supported by the circumstances.

Overall conclusions

Within the context of this scenario, neither a constructive trust nor a proprietary

estoppel is applicable. There is no beneficial interest in the property that the claimant possesses. It is respectfully requested by the defendant that the claim be dismissed and that the court confirm that she is the sole legal and beneficial owner of the property.

Parties

Mr Holman (Appellant)

Ms Howes (Respondent)

Procedural History

The claim was rejected in the initial round of the process. The Court of Appeal heard the appeal lodged by the appellant but ultimately decided to dismiss the appeal.

Material facts

The Respondent was the only owner of the property; the parties lived together in that residence. Although the appellant made contributions both domestically and financially, there was no explicit agreement on ownership of the property. Following their divorce, the appellant asserted that they had a beneficial interest.

Legal questions for the court

Whether or not a sole-name cohabitation case resulted in the formation of a constructive trust.

The question of whether or not domestic guarantees could be used to establish proprietary estoppel.

Appellant arguments

Appellant stated that the fact that they had lived together for a significant amount of time and made financial contributions was evidence of their intention to jointly own the property. Another option was for him to rely on assurances that he would be catered for.

Respondent arguments

The respondent denied having any intention of sharing ownership and maintained that the contributions were just everyday occurrences that occurred during cohabitation and did not fall under the category of ownership.

Decision of court

The appeal was rejected.

Rule of Law

When it comes to sole ownership cases, domestic contributions and informal promises inside a relationship are not sufficient to establish a constructive trust or proprietary estoppel.

Reasoning

The Court highlighted the need of having a clear understanding of who owns the property. The court decided that contributions to household expenses and domestic life are normal in relationships in which the couple lives together, but that these contributions do not, on their own, establish an intention to share property. In order to establish proprietary estoppel, the guarantees were insufficiently specific. As a result of this ruling, the rigorous approach that is taken in sole-name cohabitation issues has been confirmed.

Reference:

Culliford v Thorpe (2018) EWHC 426 (Ch)

Geary v Rankine (2012) EWCA Civ 555

Guest v Guest (2022) UKSC 27

Holman v Howes (2007) EWCA Civ 877

Liden v Burton (2016) EWCA Civ 275

Lloyds Bank plc v Rosset (1991) 1 AC 107,

McDonald v Frost (2021) EWHC 2979 (Ch)

Thorne v Major (2009) UKHL 18