

# Leasehold Reform Act 1967

# **1967 CHAPTER 88**

## PART I

#### ENFRANCHISEMENT AND EXTENSION OF LONG LEASEHOLDS

Determination of questions, procedure, etc.

### 20 Jurisdiction and special powers of county court.

- (1) Subject to section 115 of the County Courts Act 1959, any jurisdiction expressed to be conferred on the court by this Part of this Act shall, unless the contrary intention appears, be exercised by the county court.
- (2) Except as provided by this section and section 21 below, there shall also be brought in the county court any proceedings under this Part of this Act of the following descriptions:—
  - (a) proceedings for determining whether a person is entitled to acquire the freehold or an extended lease of a house and premises, or to what property his right extends;
  - (b) proceedings for determining what provisions ought to be contained in a conveyance in accordance with section 10 or 29(1), or in a lease granting a new tenancy under section 14;
  - (c) any other proceedings relating to the performance or discharge of obligations arising out of a tenant's notice of his desire to have the freehold or an extended lease, including proceedings for the recovery of damages or compensation in the event of the obligations not being performed;
  - (d) any proceedings for determining the amount of a subtenant's share under Schedule 2 to this Act in compensation payable to a tenant under section 17 or 18, or for establishing or giving effect to his right to it.
- (3) Where in connection with any acquisition by a tenant of the freehold or an extended lease under this Part of this Act it is necessary to apportion between the house and premises (or part of them) and other property the rent payable under his tenancy or any

superior or reversionary tenancy, then, subject to section 115 of the County Courts Act 1959 and to section 21 below, the apportionment shall be made by the county court.

- (4) Where it is made to appear to the court that the landlord or the tenant has been guilty of any unreasonable delay or default in the performance of obligations arising from a tenant's notice of his desire to have the freehold or an extended lease under this Part of this Act, then (without prejudice to any right to damages) the court may—
  - (a) by order revoke or vary, and direct repayment of sums paid under, any provision made by a previous order as to payment of the costs of proceedings in the court in relation to the matter, or, where costs have not been awarded, award costs;
  - (b) certify particulars of the delay or default to the Lands Tribunal with a view to enabling the Tribunal to exercise a like discretion in relation to costs of proceedings before the Tribunal.
- (5) Where a person gives notice of his desire to have the freehold or to have an extended lease of a house and premises under this Part of this Act, and the notice either is set aside by the court or withdrawn, or ceases to have effect, or would, if valid, cease to have effect, then if it is made to appear to the court—
  - (a) that the notice was not given in good faith ; or
  - (b) that the person giving the notice attempted in any material respect to support it by misrepresentation or the concealment of material facts ;

the court may, on the application of the landlord, order that person to pay to the landlord such sum as appears sufficient as compensation for damage or loss sustained by the landlord as the result of the giving of the notice.

- (6) In any case where under subsection (5) above the court has power, on the application of the landlord, to order a person to make a payment to the landlord, the court (whether or not it makes an order under that subsection) may, on the application of the landlord, order that any further notice given by that person under this Part of this Act of his desire to have the freehold or an extended lease of the same house or any part of it, with or without other property, shall be void if given within the five years beginning with the date of the order.
- (7) Subsection (2)(c) above shall not prevent the bringing of proceedings in a court other than the county court where the claim is for damages or pecuniary compensation only.

#### 21 Jurisdiction of Lands Tribunal.

- (1) The following matters shall, in default of agreement, be determined by the Lands Tribunal namely,—
  - (a) the price payable for a house and premises under section 9 above;
  - (b) the amount of the rent to be payable (whether originally or on a revision) for a house and premises in accordance with section 15(2);
  - (c) the amount of any compensation payable to a tenant under section 17 or 18 for the loss of a house and premises.
- (2) Notwithstanding section 20(2) or (3) above, the Lands Tribunal shall have jurisdiction, either by agreement or in a case where an application is made to the Tribunal under subsection (1) above with reference to the same transaction,—
  - (a) to determine what provisions ought to be contained in a conveyance in accordance with section 10 or 29(1) of this Act, or in a lease granting a new tenancy under section 14; or

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- (b) to apportion between the house and premises (or part of them) and other property the rent payable under any tenancy; or
- (c) to determine the amount of a sub-tenant's share under Schedule 2 to this Act in compensation payable to a tenant under section 17 or 18.
- (3) Where, after an application has been made to the court with respect to any matter falling within the jurisdiction of the Lands Tribunal under subsection (2) above, an application is made to the Tribunal under subsection (1) and it appears to the court convenient that the questions arising on the two applications should be disposed of together, the court may by order transfer to the Lands Tribunal the proceedings on the application to the court.
- (4) Where under subsection (3) above proceedings are transferred from a county court to the Lands Tribunal, the costs of the whole proceedings both before and after the transfer shall, subject to any order made by the court, be in the discretion of the Lands Tribunal; and without prejudice to the generality of section 3(6) of the Lands Tribunal Act 1949 or section 102 of the County Courts Act 1959, the powers thereby conferred to make rules of procedure shall extend to prescribing the procedure consequent on any such transfer.
- (5) Where the court gives any such certificate as is authorised by section 20(4) above, the Lands Tribunal may make the like order as to costs of proceedings before the Lands Tribunal in relation to the matter in question as the court is authorised by that subsection to make.

# 22 Validity of tenant's notices, effect on Landlord and Tenant Act 1954 and on notices to quit etc., and procedure generally.

- (1) The provisions of Schedule 3 to this Act shall have effect—
  - (a) to exclude a tenant's right to acquire the freehold or an extended lease under this Part of this Act if a notice of his desire to have it is given too late; and
  - (b) to make a notice of a person's desire to have the freehold or an extended lease under this Part of this Act effectual where apart from the notice the tenancy would or might terminate by forfeiture or otherwise ; and
  - (c) for adapting the procedure under Parts I and II of the Landlord and Tenant Act 1954, and for relating to one another proceedings under that Act and proceedings under this Part of this Act; and
  - (d) generally for regulating the procedure under this Part of this Act.
- (2) Where a tenant having a right under this Part of this Act to acquire the freehold or an extended lease gives the landlord notice in accordance with this Part of this Act of his desire to have it, then except as otherwise provided by this Act the procedure for giving effect to the notice, and the rights and obligations of all parties in relation to the investigation of title and other matters arising in giving effect to the notice, shall be such as may be prescribed by regulations made by the Lord Chancellor by statutory instrument (which shall be subject to annulment in pursuance of a resolution of either House of Parliament), and subject to or in the absence of provision made by any such regulations as regards any matter shall be as nearly as may be the same as in the case of a contract of sale or leasing freely negotiated between the parties.
- (3) In relation to a claim to acquire the freehold, regulations under subsection (2) above may include provision—

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- (a) for a sum on account of the price payable for the house and premises and landlord's costs to be deposited with the landlord or with some person as his agent or as stakeholder, and for the return or forfeiture in any prescribed circumstances of the whole or part of the sum deposited;
- (b) for enabling or requiring the tenant in any prescribed circumstances, instead of continuing to pay rent under the tenancy, to pay sums representing interest on the price payable or, at his option, either to pay such sums as aforesaid or to pay or deposit the price payable or the balance of it;
- (c) for any matters incidental to or arising out of the matters mentioned above;

and in relation to any claim the regulations may provide for discharging the landlord or the tenant by reason of the other's default or delay from the obligations arising out of the claim.

- (4) In the case of a claim to acquire the freehold, subsection (2) above shall not be taken in any case as applying forms prescribed under section 46 of the Law of Property Act 1925 for contracts entered into by correspondence ; but, without prejudice to the generality of that subsection section 49 (which provides for the determination of questions arising between vendor and purchaser) shall apply.
- (5) Section 66 of the Landlord and Tenant Act 1954 (which requires the prescribed form for a notice to be prescribed by regulations of the Lord Chancellor, and makes provisions as to the contents of prescribed forms and as to the service of notices) shall have effect as if any reference therein to that Act were a reference also to this Part of this Act.