

SCHEDULES.

SCHEDULE 1

Section 1.

EXTENSION OF RIGHT TO BUY TO CERTAIN CASES
WHERE LANDLORD DOES NOT OWN FREEHOLD

- 1 In section 1(8) (right to acquire freehold or long lease) and section 10(1)(a) (notice of purchase price and right to a mortgage) of the 1980 Act for the words “long lease” there shall be substituted the word “lease”.
- 2 In section 6(4)(a) of the 1980 Act (assumptions on the grant of a lease) for the words from “for 125 years” onwards there shall be substituted the words “with vacant possession for the appropriate term defined in sub-paragraph (2) of paragraph 11 of Schedule 2 to this Act (but subject to sub-paragraph (3) of that paragraph)”.
- 3 In section 14 of the 1980 Act (change of landlord after notice claiming right to buy or right to a mortgage) for the words “the freehold of” there shall be substituted the words “the interest of the landlord in”.
- 4 In section 16(1) of the 1980 Act (completion) for paragraphs (a) and (b) there shall be substituted the following paragraphs—
 - “(a) if the dwelling-house is a house and the landlord owns the freehold, a grant of the dwelling-house for an estate in fee simple absolute; and
 - (b) if the landlord does not own the freehold or (whether or not the landlord owns it) the dwelling-house is a flat, a grant of a lease of the dwelling-house for the appropriate term defined in sub-paragraph (2) of paragraph 11 of Schedule 2 to this Act (but subject to sub-paragraph (3) of that paragraph);”.
- 5 At the end of section 17 of the 1980 Act (conveyance of freehold and grant of lease) there shall be inserted the words “and other matters”.
- 6 Section 18 of the 1980 Act (right to a mortgage—terms of mortgage deed) shall be renumbered as subsection (1) of that section, in that provision as so renumbered the words from “but the Secretary of State” onwards shall be omitted and after that provision as so renumbered there shall be inserted the following subsections—
 - “(2) Where the mortgagor’s interest in the dwelling-house is leasehold and the term of the lease is less than 25 years, subsection (1)(b) above shall have effect as if the reference to 25 years were a reference to the term of the lease.
 - (3) The Secretary of State may by order prescribe additional terms to be contained in any deed by which a mortgage is effected in pursuance of this Chapter or vary the provisions of subsections (1)(a) and (b) and (2) above, but only in relation to deeds executed after the order comes into force.”
- 7 In subsection (3) of section 20 of the 1980 Act (registration of title) for the words “subsection (2)” there shall be substituted the words “subsection (1)(b)” and for subsections (1) and (2) of that section there shall be substituted the following subsections—

Status: This is the original version (as it was originally enacted).

- “(1) Where the landlord’s title to the dwelling-house is not registered—
- (a) section 123 of the Land Registration Act 1925 (compulsory registration of title) shall apply in relation to the conveyance of the freehold or the grant of a lease in pursuance of this Chapter whether or not the dwelling-house is in an area in which an Order in Council under section 120 of that Act is for the time being in force and, in the case of a lease, whether or not the lease is granted for a term of not less than 40 years;
 - (b) the landlord shall give the tenant a certificate stating that the landlord is entitled to convey the freehold or make the grant subject only to such incumbrances, rights and interests as are stated in the conveyance or grant or summarised in the certificate; and
 - (c) section 8 of that Act (application for registration of leasehold land) shall apply in relation to a lease granted in pursuance of this Chapter notwithstanding that it is a lease for a term of which not more than 21 years are unexpired.

(1A) Where the landlord’s interest in the dwelling-house is a lease, a certificate under subsection (1)(b) above shall also state particulars of that lease and, with respect to each superior title, the following particulars, namely—

- (a) where it is registered, the title number;
- (b) where it is not registered, whether it was investigated in the usual way on the grant of the landlord’s lease.

(2) Where the landlord’s title to the dwelling-house is registered, section 22 of the said Act of 1925 (registration of dispositions of leaseholds) shall apply in relation to a lease granted in pursuance of this Chapter notwithstanding that it is granted for a term not exceeding 21 years.”

8 In section 24 of the 1980 Act (vesting orders)—

- (a) in subsection (3) after the word “If” there shall be inserted the words “the landlord’s title to” and the word “land” shall be omitted;
- (b) in subsection (4) after the words “an absolute title” there shall be inserted the words “or, as the case may require, a good leasehold title”; and
- (c) in subsection (5) after the word “Where” there shall be inserted the words “the landlord’s title to” and the word “land” shall be omitted.

9 After paragraph 5 of Part I of Schedule 1 to the 1980 Act (circumstances in which right to buy does not arise) there shall be inserted the following paragraph—

- “6 (1) The dwelling-house is held by the landlord on a tenancy from the Crown.
- (2) This paragraph does not apply if either—
- (a) the landlord is entitled to grant a lease in pursuance of this Chapter without the concurrence of the appropriate authority (disregarding for this purpose paragraph 19A of Schedule 2 to this Act); or
 - (b) the appropriate authority notifies the landlord that as regards any Crown interest affected the authority will give its consent to the granting of such a lease.
- (3) For the purposes of this paragraph ‘tenancy from the Crown’ means a tenancy of land in which there is a Crown interest superior to the tenancy

and "Crown interest" and "appropriate authority" in relation to a Crown interest mean respectively—

- (a) an interest comprised in the Crown Estate, and the Crown Estate Commissioners or other government department having the management of the land in question;
- (b) an interest belonging to Her Majesty in right of the Duchy of Lancaster, and the Chancellor of the Duchy;
- (c) an interest belonging to the Duchy of Cornwall, and such person as the Duke of Cornwall or the possessor for the time being of the Duchy appoints;
- (d) any other interest belonging to a government department or held on behalf of Her Majesty for the purposes of a government department, and that department.”

10 (1) For paragraph 11 of Schedule 2 to the 1980 Act (terms of leases) there shall be substituted—

“11 (1) A lease shall be for the appropriate term defined in sub-paragraph (2) below (but subject to sub-paragraph (3) below) and at a rent not exceeding £10 per annum, and the following provisions shall have effect with respect to the other terms of the lease.

(2) If at the time the grant is made the landlord’s interest in the dwelling-house is not less than a lease for a term of which more than 125 years and five days are then unexpired the appropriate term is a term of not less than 125 years; in any other case it is a term expiring five days before the term of the landlord’s lease of the dwelling-house (or, as the case may require, five days before the first date on which the term of any lease under which the landlord holds any part of the dwelling-house is to expire).

(3) If the dwelling-house is a flat contained in a building which also contains one or more other flats and the landlord has, since the passing of this Act, granted a lease of one or more of them for the appropriate term, the lease of the dwelling-house may be for a term expiring at the end of the term for which the other lease (or one of the other leases) was granted.”

(2) In paragraph 12 (common use of premises and facilities) after the word “Where” there shall be inserted the words “the dwelling-house is a flat and”.

(3) In paragraph 13 of that Schedule (covenants by landlord)—

- (a) sub-paragraph (1) shall be renumbered as sub-paragraph (1A) of that paragraph;
- (b) at the beginning of that provision as so renumbered there shall be inserted the words “Subject to paragraph 13A(3) below”;
- (c) immediately before that provision as so renumbered there shall be inserted the following sub-paragraph—

“(1) This paragraph applies where the dwelling-house is a flat.”; and

- (d) in sub-paragraph (2) for the words “sub-paragraph (1)(a)” there shall be substituted the words “sub-paragraph (1A)(a)”.

(4) After paragraph 13 of that Schedule there shall be inserted the following paragraph—

Status: This is the original version (as it was originally enacted).

- “13A (1) This paragraph applies where the landlord’s interest in the dwelling-house is leasehold.
- (2) There shall be implied, by virtue of this Schedule, a covenant by the landlord to pay the rent reserved by the landlord’s lease and, except in so far as they fall to be discharged by the tenant, to discharge its obligations under the covenants contained in that lease.
- (3) A covenant implied by virtue of paragraph 13(1A) above shall not impose on the landlord any obligations which the landlord is not entitled to discharge under the provisions of the landlord’s lease or a superior lease.
- (4) Where the landlord’s lease or a superior lease or any agreement collateral to the landlord’s lease or a superior lease contains a covenant by any person imposing obligations which, but for sub-paragraph (3) above, would be imposed by a covenant implied by virtue of paragraph 13(1A) above, there shall be implied by virtue of this Schedule, a covenant by the landlord to use its best endeavours to secure that that person’s obligations under the first mentioned covenant are discharged.”
- (5) In paragraph 14 of that Schedule (covenant by tenant) for the words from “to keep” onwards there shall be substituted the following paragraphs—
- “(a) where the dwelling-house is a house, to keep the dwelling-house in good repair (including decorative repair);
- (b) where the dwelling-house is a flat, to keep the interior of the dwelling-house in such repair.”
- (6) Paragraph 15 of that Schedule (avoidance of certain agreements) shall be renumbered as sub-paragraph (1) of that paragraph, in that provision as so renumbered paragraph (b) and the words “and paragraph 16 below” shall be omitted and after that provision as so renumbered there shall be inserted the following sub-paragraph—
- “(2) Where the dwelling-house is a flat, any provision of the lease or of any agreement collateral to it shall be void in so far as it purports—
- (a) to enable the landlord to recover from the tenant any part of any costs incurred by the landlord in discharging or insuring against any obligations imposed by a covenant implied by virtue of paragraph 13(1A)(a) or (b) above; or
- (b) to enable any person to recover from the tenant any part of any costs incurred, whether by him or by any other person, in discharging or insuring against any obligations to the like effect as obligations which, but for paragraph 13A(3) above, would be imposed by a covenant so implied;
- but subject to paragraph 16 below.”
- 11 (1) For the heading of Part IV of Schedule 2 to the 1980 Act (charges of freehold) there shall be substituted the heading “CHARGES AND OTHER MATTERS”.
- (2) In paragraph 18 of that Schedule for the words “the freehold”, where first occurring, there shall be substituted the words “the interest of the landlord”.
- (3) After paragraph 19 of that Schedule there shall be inserted the following paragraph—

Status: This is the original version (as it was originally enacted).

- “19A Any provision of a lease held by the landlord or a superior landlord, or of any agreement (whenever made) shall be void in so far as it would otherwise—
- (a) prohibit or restrict the grant of a lease in pursuance of the right to buy or the subsequent disposal (whether by way of assignment, sub-lease or otherwise) of a lease so granted; or
 - (b) authorise any forfeiture or impose on the landlord or superior landlord any penalty of disability in the event of a lease being granted in pursuance of the right to buy or of a subsequent disposal of a lease so granted.”
- 12 After sub-paragraph (2) of paragraph 1 of Schedule 3 to the 1980 Act (tenancies which are not secure tenancies) there shall be inserted the following sub-paragraph—
- “(2A) For the purposes of this paragraph a tenancy granted in pursuance of Chapter I of Part I of this Act is a long tenancy notwithstanding that it is granted for a term not exceeding 21 years.”

SCHEDULE 2

Section 3.

SCHEDULE INSERTED AFTER SCHEDULE 1 TO 1980 ACT

“SCHEDULE 1A

QUALIFICATION AND DISCOUNT

PART I

DETERMINATION OF RELEVANT PERIOD FOR THE PURPOSES OF SECTIONS 1(3) AND 7(1)

- 1 The period to be taken into account for the purposes of section 1(3) of this Act and the period which under section 7(1) of this Act is to be taken into account for the purposes of discount shall be the period qualifying, or the aggregate of the periods qualifying, under the following provisions of this Part of this Schedule.
- 2 (1) A period qualifies under this paragraph if it is a period during which, before the relevant time—
- (a) the secure tenant;
 - (b) the secure tenant’s spouse; or
 - (c) the secure tenant’s deceased spouse,
- was a public sector tenant or the spouse of a public sector tenant.
- (2) A period shall not qualify by virtue of sub-paragraph (1)(a), (b) or (c) above as a period during which the person there mentioned was the spouse of a public sector tenant unless during that period that person occupied as his only or principal home the dwelling-house of which his spouse was such a tenant.
- (3) A period shall not qualify by virtue of sub-paragraph (1)(b) above unless the secure tenant and his spouse were living together at the relevant time.

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- (4) A period shall not qualify by virtue of sub-paragraph (1)(c) above unless the secure tenant and his deceased spouse were living together at the time of the death.
- (5) For the purposes of this paragraph a person who, as a joint tenant under a public sector tenancy, occupied a dwelling-house as his only or principal home shall be treated as the public sector tenant under that tenancy.
- 3 (1) A period qualifies under this paragraph if it is a period during which, before the relevant time—
- (a) the secure tenant;
 - (b) the secure tenant's spouse; or
 - (c) the secure tenant's deceased spouse,
- was an armed forces occupier or the spouse of an armed forces occupier.
- (2) A period shall not qualify by virtue of sub-paragraph (1)(a), (b) or (c) above as a period during which the person there mentioned was the spouse of an armed forces occupier unless during that period that person occupied the accommodation of which his spouse was such an occupier.
- (3) A period shall not qualify by virtue of sub-paragraph (1)(b) above unless the secure tenant and his spouse were living together at the relevant time.
- (4) A period shall not qualify by virtue of sub-paragraph (1)(c) above unless the secure tenant and his deceased spouse were living together at the time of the death.
- 4 (1) This paragraph applies where the public sector tenant of a dwelling-house died or otherwise ceased to be a public sector tenant of the dwelling-house, and thereupon a child of his who occupied the dwelling-house as his only or principal home (in this paragraph referred to as "the new tenant") became the public sector tenant of the dwelling-house (whether under the same or under another public sector tenancy).
- (2) A period during which the new tenant, since reaching the age of sixteen, occupied as his only or principle home a dwelling-house of which a parent of his was the public sector tenant or one of joint tenants under a public sector tenancy, being either—
- (a) the period at the end of which he became the public sector tenant; or
 - (b) a period ending not earlier than two years before another period falling within this sub-paragraph,
- shall be regarded for the purposes of paragraph 2 above as a period during which he was a public sector tenant.
- (3) for the purposes of this paragraph two persons shall be treated as parent and child if they would be so treated under paragraphs (a) and (b) of section 50(3) of this Act.

PART II

REDUCTION OF DISCOUNT IN CERTAIN CIRCUMSTANCES

- 5 There shall be deducted from the discount an amount equal to any previous discount qualifying, or the aggregate of any previous discounts qualifying, under paragraph 6 below.
- 6 (1) A previous discount qualifies under this paragraph if it was given—
- (a) to the person or one of the persons exercising the right to buy;

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- (b) to the spouse of that person or one of those persons; or
 - (c) to the deceased spouse of that person or one of those persons.
 - (2) A previous discount shall not qualify by virtue of sub-paragraph (1)(b) above unless the person concerned and his spouse were living together at the relevant time.
 - (3) A previous discount shall not qualify by virtue of sub-paragraph (1)(c) above unless the person concerned and his deceased spouse were living together at the time of the death.
- 7 (1) Where the whole or any part of a previous discount has been recovered by the person by whom it was given (whether by the receipt of a payment determined by reference to the discount or by a reduction so determined of any consideration given by that person or in any other way), so much of the discount as has been so recovered shall be disregarded for the purposes of paragraph 6 above,
- (2) Any reference in this paragraph to the person by whom a previous discount was given includes a reference to any successor in title of his.
- 8 Where a previous discount was given to two or more persons jointly, paragraphs 6 and 7 above shall be construed as if each of those persons had been given an equal proportion of that discount.

PART III

SUPPLEMENTAL

- 9 (1) For the purposes of this Schedule, a tenancy which is not a long tenancy and under which a dwelling-house is let as a separate dwelling is a public sector tenancy at any time when the conditions described below as the landlord condition and the tenant condition are satisfied.
- (2) The landlord condition is that the interest of the landlord belongs to—
- (a) a local authority within the meaning of section 50(1) of this Act, a county council, a district council within the meaning of the Local Government Act (Northern Ireland) 1972 or, in Scotland, a regional, district or islands council, a joint board or joint committee of such a council or the common good of such a council or any trust under its control;
 - (b) the Housing Corporation;
 - (c) the Scottish Special Housing Association;
 - (d) the Northern Ireland Housing Executive;
 - (e) a development corporation established by an order made or having effect as if made under the New Towns Act 1981 or the New Towns (Scotland) Act 1968 or an urban development corporation within the meaning of Part XVI of the Local Government Planning and Land Act 1980;
 - (f) the Commission for the New Towns;
 - (g) the Development Board for Rural Wales;
 - (h) a housing association which falls within paragraph (a) of subsection (3) of section 15 of the 1977 Act but does not fall within paragraph (d) of that subsection;
 - (i) a housing association which falls within paragraph (e) of section 10(2) of the Tenant's Rights, Etc. (Scotland) Act 1980 but is not a registered society within the meaning of section 11 of that Act;

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- (j) a registered housing association within the meaning of Chapter II of Part II of the Housing (Northern Ireland) Order 1983;
 - (k) a housing co-operative within the meaning of Schedule 20 to this Act or section 5 of the Housing Rents and Subsidies (Scotland) Act 1975; or
 - (l) any predecessor of any person falling within the foregoing paragraphs; or that, in such circumstances as may be prescribed for the purposes of this sub-paragraph by order of the Secretary of State, the interest of the landlord belongs to a person who is so prescribed.
- (3) The tenant condition is that the tenant is an individual and occupies the dwelling-house as his only or principal home or, where the tenancy is a joint tenancy, each of the joint tenants is an individual and at least one of them occupies the dwelling-house as his only or principal home.
- (4) References in this paragraph to a public sector tenancy or a public sector tenant are, in relation to any time before the commencement of Part I of the 1984 Act, references to a tenancy which would have been a public sector tenancy if that Part had then been in force or to a person who would have then been a public sector tenant; and for the purpose of determining whether a person would have been a public sector tenant and his tenancy a public sector tenancy, a housing association shall be deemed to have been registered under Part II of the 1974 Act, or Chapter II of Part VII of the Housing (Northern Ireland) Order 1981, if it is or was so registered at any later time.
- (5) Where a person who is not the tenant of a dwelling-house has a licence (whether or not granted for a consideration) to occupy the dwelling-house and the circumstances are such that, if the licence were a tenancy, it would be a public sector tenancy, then, subject to sub-paragraph (6) below, this Schedule applies to the licence as it applies to a public sector tenancy and, as so applying, has effect as if expressions appropriate to a licence were substituted for “landlord”, “tenant”, “public sector tenant”, “tenancy” and “public sector tenancy”.
- (6) Sub-paragraph (5) above does not apply to a licence which was granted as a temporary expedient to a person who entered a dwelling-house or any other land as a trespasser (whether or not before another licence to occupy that or another dwelling-house had been granted to him).
- 10 (1) In this Schedule—
- “armed forces occupier” means a person who occupies accommodation provided for him as a member of the regular armed forces of the Crown;
 - “conveyance” means a conveyance of the freehold or an assignment of a long lease;
 - “dwelling-house” includes a house within the meaning of the 1957 Act;
 - “grant” means a grant of a long lease;
 - “long lease” means a lease creating a long tenancy within the meaning of paragraph 1 of Schedule 3 to this Act or a tenancy falling within paragraph 1 of Schedule 2 to the Housing (Northern Ireland) Order 1983;
 - “previous discount” means a discount which was given, before the relevant time, on a conveyance or grant with respect to which the requirements of sub-paragraph (2) below were satisfied;
 - “public sector tenant” means a tenant under a public sector tenancy;
 - “regular armed forces of the Crown” has the same meaning as in section 1 of the House of Commons Disqualification Act 1975;

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“relevant time” has the meaning given by section 3(5) of this Act.

- (2) The requirements of this sub-paragraph are satisfied with respect to a conveyance or grant of a dwelling-house if the vendor or lessor is—
- (a) a person falling within paragraph 9(2) above; or
 - (b) in such circumstances as may be prescribed for the purposes of this sub-paragraph by order of the Secretary of State, a person who is so prescribed.”

SCHEDULE 3

Section 12.

TERMS OF A SHARED OWNERSHIP LEASE

Tenant's initial share

- 1 (1) Subject to sub-paragraph (2) below, the tenant's initial share in the dwelling-house shall be as stated in his notice under section 13(1) of this Act.
- (2) The tenant's initial share in the dwelling-house shall be a multiple of the prescribed percentage and shall not be less than the minimum initial share.
- (3) The lease shall state the tenant's initial share in the dwelling-house.
- (4) In this paragraph “minimum initial share” means 50 per cent. or such other percentage as the Secretary of State may by order prescribe.
- (5) In this paragraph and paragraph 3 below “the prescribed percentage” means 12.5 per cent. or such other percentages as the Secretary of State may by order prescribe.

Tenant's initial contribution

- 2 (1) The consideration for the grant of the lease (in this Part of this Act referred to as the tenant's initial contribution) shall be determined by the formula—

$$C = \frac{S(V - D)}{100}$$

where—

- C = the tenant's contribution;
- S = the tenant's initial share expressed as a percentage;
- V = the amount agreed between the parties or determined by the district valuer as the amount which, under this paragraph, is to be taken as the value of the dwelling-house at the relevant time;
- D = the discount which, if the tenant were exercising the right to buy, would be applicable under section 7 of the 1980 Act.

- (2) The value of the dwelling-house at the relevant time shall be taken to be the price which, at that time, it would realise if sold on the open market by a willing vendor—
- (a) where the dwelling-house is a house and the landlord owns the freehold, on the assumptions stated in subsection (3) of section 6 of the 1980 Act;
 - (b) where the landlord does not own the freehold or (whether or not the landlord owns it) the dwelling-house is a flat, on the assumptions stated in subsection (4) of that section.

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and (in either case) disregarding any improvements made by any of the persons specified in subsection (5) of that section and any failure by any of those persons to keep the dwelling-house in good internal repair.

Additional shares

- 3 (1) The lease shall contain provision enabling the tenant to acquire additional shares in the dwelling-house; and the right so conferred shall be exercisable at any time during the term of the lease on the tenant serving written notice on the landlord.
- (2) Subject to sub-paragraph (3) below, an additional share shall be as stated in the tenant's notice under sub-paragraph (1) above.
- (3) An additional share shall be the prescribed percentage or a multiple of the prescribed percentage.
- (4) Where the tenant claims to exercise the right to acquire an additional share, the landlord shall, as soon as practicable, serve on the tenant a written notice stating—
- (a) the amount which, in the opinion of the landlord, should be the amount of the consideration for that share determined in accordance with paragraph 4(1) below on the assumption that the share is as stated in the notice under sub-paragraph (1) above; and
 - (b) the effective discount on an acquisition of that share for that consideration determined in accordance with paragraph 6(3) below
- (5) Where the dwelling-house is a house and the landlord owns the freehold, the lease shall also provide that, on his acquiring an additional share such that his total share will be 100 per cent., the tenant shall be entitled to require the freehold to be conveyed either to himself or to such other person as he may direct; and the right so conferred shall be exercisable at any time during the term of the lease on the tenant serving written notice on the landlord.
- (6) As soon as practicable after such a right as is mentioned in sub-paragraph (5) above has become exercisable, the landlord shall serve on the tenant a written notice—
- (a) informing the tenant of the right; and
 - (b) stating the provisions which, in the opinion of the landlord, should be contained in the conveyance.
- (7) A conveyance executed in pursuance of such a right as is mentioned in sub-paragraph (5) above—
- (a) shall conform with Parts I and II of Schedule 2 to the 1980 Act (terms of conveyance);
 - (b) shall preserve the effect of the covenant required by paragraph 6(1) below; and
 - (c) where the lease contains any such covenant as is mentioned in section 19(1) of the 1980 Act, shall preserve the effect of that covenant.
- (8) A notice required by this paragraph may be withdrawn at any time by notice in writing served on the landlord.
- (9) Any reference in this Part of this Act to a tenant's total share is a reference to his initial share plus any additional share or shares in the dwelling-house acquired by him.

Status: This is the original version (as it was originally enacted).

Additional contributions

- 4 (1) The consideration for an additional share (in this Part of this Act referred to as an additional contribution) shall be determined by the formula—

$$C = \frac{S(V - D)}{100}$$

where—

- C = the additional contribution;
S = the additional share expressed as a percentage;
V = the amount agreed between the parties or determined by the district valuer as the amount which, under this paragraph, is to be taken as the value of the dwelling-house at the time when the notice under paragraph 3(1) above is served;
D = the discount which, on the assumptions stated in subparagraph (2) below, would be applicable under section 7 of the 1980 Act.

- (2) The said assumptions are that—
- (a) the shared ownership lease had not been granted and the secure tenancy had not come to an end; and
 - (b) the tenant was exercising the right to buy and his notice under paragraph 3(1) above were a notice under section 5(1) of the 1980 Act.
- (3) The value of the dwelling-house at the time when the notice under paragraph 3(1) above is served shall be taken to be the price which, at that time, the interest of the tenant would realise if sold on the open market by a willing vendor on the assumption that any mortgages of that interest and any liability under the covenants required by paragraphs 6(1) and 7(1) below would be discharged by the vendor and disregarding—
- (a) any interests in or rights over the dwelling-house created by the tenant;
 - (b) any improvements made by the tenant or any of the other persons specified in section 6(5) of the 1980 Act; and
 - (c) any failure by the tenant or any of those persons—
 - (i) where the dwelling-house is a house, to keep the dwelling-house in good repair (including decorative repair);
 - (ii) where the dwelling-house is a flat, to keep the interior of the dwelling-house in such repair.

Rent

- 5 (1) The lease shall provide that, for any period for which the tenant's total share is less than 100 per cent., the rent payable under the lease shall be determined by the formula—

$$R = \frac{F(100 - S)}{100}$$

where—

- R = the rent payable;

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F = the amount determined by the landlord as the rent which would be payable for that period if the shared ownership lease had not been granted and the secure tenancy had not come to an end, but excluding any element attributable to rates or to services provided by the landlord;

S = the tenant's total share expressed as a percentage.

- (2) The lease shall also provide that, for any such period, if the Secretary of State by order so provides—
- (a) the rent payable under the lease as so determined; or
 - (b) any amount payable by the tenant under the lease which is payable, directly or indirectly, for repairs, maintenance or insurance,
- shall be adjusted in such manner as may be provided by the order.
- (3) The lease shall provide that, for any period for which the tenant's total share is 100 per cent., the rent payable under the lease shall be £10 per annum.
- (4) In making a determination under sub-paragraph (1) above, the landlord shall take into account all matters which appear to it to be relevant including, in particular, where comparable dwelling-houses in the locality are let on secure tenancies, the rents payable under those tenancies.
- (5) The Secretary of State may by order under sub-paragraph (2) above provide for such adjustment as he considers appropriate having regard to the differing responsibilities for repairs, maintenance and insurance of a tenant under a shared ownership lease and a secure tenant.
- (6) In this paragraph "rates" includes charges for services performed, facilities provided or rights made available by a water authority.

Repayment of discount on early disposal

- 6 (1) The lease shall contain a covenant binding on the tenant and his successors in title to pay to the landlord on demand the amount specified in sub-paragraph (2) below if, within a period of five years commencing with the acquisition by the tenant of his initial share or the acquisition by him of an additional share, there is a relevant disposal which is not exempted by sub-paragraph (5) below; but if there is more than one such disposal, then only on the first of them.
- (2) The amount payable under the covenant is the aggregate of the following amounts, namely—
- (a) an amount equal to the effective discount (if any) to which the tenant was entitled on the acquisition of his initial share; and
 - (b) for each additional share acquired by the tenant, an amount equal to the effective discount (if any) to which the tenant was entitled on the acquisition of that share,
- but reduced, in each case, by 20 per cent. of the discount for each complete year that elapses after the acquisition and before the disposal.
- (3) The effective discount to which the tenant was entitled on the acquisition of his initial share or an additional share shall be determined by the formula—

$$E = \frac{S \times D}{100}$$

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where—

- E = the effective discount;
- S = the tenant's initial share or, as the case may be, the additional share expressed (in either case) as a percentage;
- D = the discount which was applicable by virtue of paragraph 2(1) or, as the case may be, paragraph 4(1) above.

(4) A disposal is a relevant disposal for the purposes of this paragraph and paragraphs 7 to 9 below if it is—

- (a) an assignment of the lease; or
- (b) the grant of a lease or sub-lease for a term of more than twenty-one years otherwise than at a rack rent,

whether the disposal is of the whole or part of the dwelling-house; and for the purposes of paragraph (b) above it shall be assumed that any option to renew or extend a lease or sub-lease, whether or not forming part of a series of options, is exercised, and that any option to terminate a lease or sub-lease is not exercised.

(5) A relevant disposal is exempted by this sub-paragraph if—

- (a) it is a disposal of the whole of the dwelling-house and an assignment of the lease and the person or each of the persons to whom it is made is a qualifying person;
- (b) it is a vesting of the whole of the dwelling-house in a person taking under a will or on an intestacy;
- (c) it is disposal of the whole of the dwelling-house in pursuance of an order under section 24 of the Matrimonial Causes Act 1973 or section 2 of the Inheritance (Provision for Family and Dependants) Act 1975;
- (d) the property disposed of is acquired compulsorily or by a person who has made or would have made, or for whom another person had made or would have made, a compulsory purchase order authorising its compulsory purchase for the purposes for which it is acquired; or
- (e) the property disposed of is land included in the dwelling-house by virtue of section 3(4) or 50(2) of the 1980 Act.

(6) For the purposes of sub-paragraph (5)(a) above a person is a qualifying person in relation to a disposal if he—

- (a) is the person or one of the persons by whom it is made;
- (b) is the spouse or a former spouse of that person or one of those persons; or
- (c) is a member of the family of that person or one of those persons and has resided with him throughout the period of twelve months ending with the disposal.

(7) Where there is a relevant disposal which is exempted by sub-paragraph (5)(d) or (e) above—

- (a) the covenant required by sub-paragraph (1) above shall not be binding on the person to whom the disposal is made or any successor in title of his; and
- (b) that covenant and the charge taking effect by virtue of sub-paragraph (10) below shall cease to apply in relation to the property disposed of.

(8) The reference in sub-paragraph (4) above to a lease or sub-lease does not include a mortgage term.

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(9) For the purposes of this paragraph and paragraphs 7 to 9 below the grant of an option enabling a person to call for a relevant disposal which is not exempted by sub-paragraph (5) above shall be treated as such a disposal.

(10) Subsections (4) to (6) of section 8 of the 1980 Act shall apply in relation to the liability that may arise under the covenant required by sub-paragraph (1) above and that required by paragraph 7(1) below as they apply relation to the liability that may arise under the covenant required by subsection (1) of that section.

Payment for outstanding share on disposal

- 7 (1) The lease shall contain a covenant binding on the tenant and his successors in title to pay to the landlord on demand for the outstanding share an amount determined in accordance with sub-paragraph (2) below if, at a time when the tenant's total share is less than 100 per cent., there is—
- (a) a relevant disposal which is not exempted by sub-paragraph (5) of paragraph 6 above; or
 - (b) a relevant disposal which is exempted by sub-paragraph (5)(d) of that paragraph (in this paragraph and paragraph 8 below referred to as a "compulsory disposal").
- (2) The amount payable under the covenant shall be determined by the formula—

$$P = \frac{V(100 - S)}{100}$$

where—

- P = the amount payable under the covenant;
- V = the amount agreed between the parties or determined by the district valuer as the amount which, under this paragraph, is to be taken to be—
 - (a) except in the case of a compulsory disposal of part of the dwelling-house, the value at the time of the disposal of the dwelling-house; or
 - (b) in the said excepted case, the value at the time of the disposal of the part of the dwelling-house disposed of;
- S = the tenant's total share expressed as a percentage.

- (3) The value at the time of the disposal of the dwelling-house or the part of the dwelling-house disposed of shall be taken to be the price which, at that time, the interest of the tenant therein would realise if sold on the open market by a willing vendor on the assumption that any mortgages of that interest and any liability under the covenants required by paragraph 6(1) and sub-paragraph (1) above would be discharged by the vendor and disregarding—
- (a) any interests in or rights over the dwelling-house created by the tenant;
 - (b) any improvements made by the tenant or any of the other persons specified in section 6(5) of the 1980 Act; and
 - (c) any failure by the tenant or any of those persons—
 - (i) where the dwelling-house is a house, to keep the dwelling-house in good repair (including decorative repair);

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- (ii) where the dwelling-house is a flat, to keep the interior of the dwelling-house in such repair.
- (4) The lease shall also provide that, on the discharge of a liability arising under the covenant required by sub-paragraph (1) above,—
- (a) except in the case of a compulsory disposal of part of the dwelling-house, the rent payable under the lease shall be £10 per annum; and
 - (b) in the said excepted case, the rent payable under the lease so far as relating to the part of the dwelling-house disposed of shall be £10 per annum.
- (5) Where the dwelling-house is a house and the landlord owns the freehold, the lease shall also provide that on the discharge of a liability arising under the covenant required by sub-paragraph (1) above,—
- (a) except in the case of a compulsory disposal of part of the dwelling-house, any person in whom the tenant's interest in the dwelling-house is vested; or
 - (b) in the said excepted case, any person in whom the tenant's interest in the part of the dwelling-house disposed of is vested,
- shall be entitled to require the freehold thereof to be conveyed either to himself or to such other person as he may direct; and a right so conferred on any person shall be exercisable at any time during the term of the lease on that person serving written notice on the landlord.
- (6) As soon as practicable after such a right as is mentioned in sub-paragraph (5) above has become exercisable by any person, the landlord shall serve on that person a written notice—
- (a) informing him of the right and
 - (b) stating the provisions which, in the opinion of the landlord, should be contained in the conveyance.
- (7) A conveyance executed in pursuance of such a right as is mentioned in sub-paragraph (5) above—
- (a) shall conform with Parts I and II of Schedule 2 to the 1980 Act (terms of conveyance); and
 - (b) where the lease contains any such covenant as is mentioned in section 19(1) of the 1980 Act, shall preserve the effect of that covenant.
- (8) A notice required by sub-paragraph (5) above may be withdrawn at any time by notice in writing served on the landlord.

No disposals of part while share outstanding

- 8 (1) The lease shall contain a covenant binding on the tenant and his successors in title that there will be no relevant disposal of part of the dwelling-house, other than a compulsory disposal, at any time when the tenant's total share is less than 100 per cent.
- (2) Any disposal in breach of the covenant required by sub-paragraph (1) above shall be void.

Supplemental

- 9 (1) The lease shall provide that, in the event of a relevant disposal which is exempted by sub-paragraph (5)(a), (b) or (c) of paragraph 6 above, references to the tenant in

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the provisions of the lease required by this Schedule shall include references to the person to whom the disposal is made.

- (2) The lease shall also provide that, in the event of a relevant disposal which is exempted by sub-paragraph (5)(d) of that paragraph, being a disposal of part of the dwelling-house, references to the dwelling-house in the provisions of the lease required by this Schedule shall be construed as references to the remaining part of the dwelling-house.
- 10 (1) Any power to make an order under this Schedule shall be exercisable by statutory instrument which shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (2) Any order under this Schedule—
- (a) may make different provision with respect to different cases or descriptions of case, including different provision for different areas; and
 - (b) may contain such transitional provisions as appear to the Secretary of State to be necessary or expedient.

SCHEDULE 4

Section 18.

SERVICE CHARGES IN RESPECT OF CERTAIN HOUSES

Service charge and relevant costs

- 1 (1) In this Schedule “service charge” has the meaning given by section 18(1) of this Act.
- (2) For the purposes of this Schedule relevant costs are costs or estimated costs (including overheads) incurred or to be incurred in any period (whether the period for which the service charge is payable or an earlier or later period) by or on behalf of the payee or (in the case of a lease) a superior landlord in connection with the matters for which the service charge is payable.
- (3) Other expressions used in this Schedule are to be construed in accordance with paragraphs 11 to 13 below.

Limitation of service charges

- 2 The extent to which relevant costs are taken into account in determining the amount of a service charge payable for any period shall be limited in accordance with paragraph 3 below, and the amount payable shall be limited accordingly; and where the service charge is payable before the relevant costs are incurred—
- (a) no greater amount shall be so payable than is reasonable; and
 - (b) after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction of subsequent charges or otherwise.
- 3 Costs are to be taken into account only to the extent that they are reasonably incurred, and costs incurred on the provision of services or the carrying out of works only if the services or works are of a reasonable standard.

Status: This is the original version (as it was originally enacted).

Information as to relevant costs

- 4
- (1) If the payer requests the payee in writing to supply him with a written summary of the costs incurred in the relevant period defined in sub-paragraph (4) below which are relevant to the service charges payable or demanded as payable by the payer in that or any other period, the payee shall do so within six months of the end of the period or within one month of the request, whichever is the later.
 - (2) The summary shall set out those costs in a way showing how they are or will be reflected in demands for service charges, and must be certified by a qualified accountant as in his opinion a fair summary complying with this requirement and as being sufficiently supported by accounts, receipts and other documents which have been produced to him.
 - (3) Where the payer has obtained such a summary as is referred to in sub-paragraph (1) above (whether in pursuance of this paragraph or otherwise) the payer may, within six months of obtaining it, require the payee in writing to afford him reasonable facilities for inspecting the accounts, receipts and other documents supporting the summary and for taking copies or extracts from them, and the payee shall then make such facilities available to the payer for a period of two months beginning not later than one month after the request is made.
 - (4) The relevant period mentioned in sub-paragraph (1) above is—
 - (a) if the relevant accounts are made up for periods of twelve months, the last such period ending not later than the date of the request; and
 - (b) if none are made up for such a period, the period of twelve months ending with the request.

Information held by superior landlord

- 5
- (1) If a request made under paragraph 4(1) above relates in whole or in part to relevant costs incurred by or on behalf of a superior landlord, and the payee is not in possession of the relevant information—
 - (a) he shall in turn make a written request for the relevant information to the person who is his landlord (and so on if that person is not himself the superior landlord) and the superior landlord shall then comply with the request within a reasonable time; and
 - (b) it shall be the duty of the payee to comply with the payer's request, or that part of it which relates to the relevant costs incurred by or on behalf of the superior landlord, within the time allowed by paragraph 4 above or within such further time, if any, as is reasonable in the circumstances.
 - (2) If a request made under paragraph 4(3) above relates to a summary of costs incurred by or on behalf of a superior landlord, the payee shall forthwith inform the payer of that fact and the name and address of the superior landlord, and paragraph 4(3) above shall then apply as if the superior landlord were the payee.

Service of requests under paragraph 4

- 6
- A request under paragraph 4 above shall be deemed to be served on the payee if it is served on a person who receives the service charge on behalf of the payee; and a person on whom a request is so served shall forward it as soon as possible to the payee.

Status: This is the original version (as it was originally enacted).

Effect of disposal

- 7 A disposal of the dwelling-house by the payer shall not effect the validity of a request made under paragraph 4 above before the disposal, but a person shall not be obliged to provide a summary or make the facilities available more than once for the same dwelling-house and for the same period.

Determination of reasonableness

- 8 Any agreement made by the payer, other than an arbitration agreement within the meaning of section 32 of the Arbitration Act 1950, shall be void in so far as it purports to provide for a determination in a particular manner or on particular evidence of any question whether any amount payable before costs for services, repair, maintenance, insurance or management are incurred is reasonable, whether such costs were reasonably incurred or whether services or works for which costs were incurred or of a reasonable standard.

Offences

- 9 (1) If any person without reasonable excuse fails to perform any duty imposed on him by this Schedule he shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale (as defined in section 75 of the Criminal Justice Act 1982).
- (2) Where an offence under this paragraph which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of an offence and be liable to be proceeded against and punished accordingly.
- (3) Where the affairs of a body corporate are managed by its members, sub-paragraph (2) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

Exceptions

- 10 (1) Where the payee is a body mentioned in sub-paragraph (2) below—
- (a) paragraph 9 above does not apply, and
 - (b) the persons who are qualified accountants include a member of the Chartered Institute of Public Finance and Accountancy and paragraph 11(2)(b) below does not apply.
- (2) The bodies referred to in sub-paragraph (1) above are—
- (a) a local authority or development corporation (as defined in section 50(1) of the 1980 Act),
 - (b) the council of a county,
 - (c) the Commission for the New Towns,
 - (d) the Development Board for Rural Wales.

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Definitions

- 11 (1) Subject to sub-paragraph (2) below, a person is a qualified accountant if he is either a member of one of the following bodies—
- (a) the Institute of Chartered Accountants in England and Wales;
 - (b) the Institute of Chartered Accountants of Scotland;
 - (c) the Association of Certified Accountants;
 - (d) The Institute of Chartered Accountants in Ireland;
 - (e) any other body of accountants established in the United Kingdom and recognised by the Secretary of State for the purposes of section 161(1)(a) of the Companies Act 1948,
- or a person who is for the time being authorised by the Secretary of State under section 161(1)(b) of that Act as being a person with similar qualifications obtained outside the United Kingdom.
- (2) None of the following is a qualified accountant—
- (a) a body corporate;
 - (b) an officer or employee of the payee or, where the payee is a company, of a company which is the payee’s holding company or subsidiary (within the meaning of section 154 of the Companies Act 1948) or a subsidiary of the payee’s holding company; and
 - (c) a person who is a partner or employee of any such officer or employee.
- (3) A Scottish firm is a qualified accountant, notwithstanding sub-paragraph (2)(a) above, if each of the partners in it is a qualified accountant.
- 12 “Payee” means the person who is entitled to enforce payment of the service charge.
- 13 “Payer” means the person liable to pay the service charge.

SCHEDULE 5

Section 19.

VESTING OF MORTGAGED DWELLING-HOUSE IN LOCAL AUTHORITY ETC.

Vesting of dwelling-house with leave of court

- 1 (1) In any case where this Schedule applies, the authority may, if the county court gives it leave to do so, by deed vest the dwelling-house in itself—
- (a) for such estate and interest in the dwelling-house as is the subject of the mortgage or as it would be authorised to sell or convey on exercising its power of sale; and
 - (b) freed from all estates, interests and rights to which the mortgage has priority, but subject to all estates, interests and rights which have priority to the mortgage.
- (2) Where application for leave under this paragraph is made to the county court, the court may adjourn the proceedings or postpone the date for the execution of the authority’s deed for such period or periods as the court thinks reasonable.
- (3) Any such adjournment or postponement may be made subject to such conditions with regard to payment by the mortgagor of any sum secured by the mortgage or the

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remedy of any default as the court thinks fit; and the court may from time to time vary or revoke any such condition.

Effect of vesting

- 2
- (1) On the vesting of the dwelling-house the authority's mortgage term or charge by way of legal mortgage, and any subsequent mortgage term or charge, shall merge or be extinguished as respects the dwelling-house.
 - (2) Where the dwelling-house is registered under the Land Registration Acts 1925 to 1971, the Chief Land Registrar shall, on application being made to him by the authority, register the authority as proprietor of the dwelling-house free from all estates, interests and rights to which its mortgage had priority, and he shall not be concerned to inquire whether any of the requirements of this Schedule were complied with.
 - (3) Where the authority conveys the dwelling-house, or part of it, to any person—
 - (a) he shall not be concerned to inquire whether any of the provisions of this Schedule were complied with; and
 - (b) his title shall not be impeachable on the ground that the dwelling-house was not properly vested in the authority or that those provisions were not complied with.
 - (4) A dwelling-house vested under this Schedule in a local authority (as defined in section 50 of the 1980 Act) shall be treated as acquired under Part V of the 1957 Act.

Compensation and accounting

- 3
- (1) Where, under paragraph 1 above, the authority has vested the dwelling-house in itself it shall appropriate a fund equal to the aggregate of—
 - (a) the amount agreed between the authority and the mortgagor or determined by the district valuer as being the amount which under sub-paragraph (2) below is to be taken as the value of the dwelling-house at the time of the vesting; and
 - (b) interest on that amount for the period beginning with the vesting and ending with the appropriation at the rate or rates prescribed for that period under section 32 of the Land Compensation Act 1961.
 - (2) The value of the dwelling-house at the time of the vesting shall be taken to be the price which, at that time, the interest vested in the authority would realise if sold on the open market by a willing vendor on the assumption that any prior incumbrances to which the vesting is not made subject would be discharged by the vendor.
 - (3) The fund shall be applied—
 - (a) first, in discharging, or payin sums into court for meeting, any prior incumbrances to which the vesting is not made subject;
 - (b) secondly, in recovering the costs, charges and expenses properly incurred by the authority as incidental to the vesting of the dwelling-house;
 - (c) thirdly, in recovering the mortgage money, interest, costs, and other money (if any) due under the mortgage; and
 - (d) fourthly, in recovering any amount which falls to be paid under the covenant required by section 104B(2) of the 1957 Act, section 8(1) of the 1980 Act

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or paragraph 6(1) or 7(1) of Schedule 3 to this Act or any provision of the conveyance or grant to the like effect;

and any residue then remaining in the fund shall be paid to the person entitled to the mortgaged dwelling-house, or who would have been entitled to give receipts for the proceeds of sale of the dwelling-house if it had been sold in the exercise of the power of sale.

- (4) Section 107(1) of the Law of Property Act 1925 (mortgagee's written receipt sufficient discharge for money arising under power of sale) applies to money payable under this Schedule as it applies to money arising under the power of sale conferred by that Act.

SCHEDULE 6

Section 23.

AMENDMENTS OF SECTIONS 104B AND 104C OF 1957 ACT

Section 104B

- 1 (1) In subsection (2) of section 104B of the 1957 Act (repayment of discount on early disposal) for the words “disposal falling within subsection (4)” there shall be substituted the words “relevant disposal which is not exempted by subsection (4A)”.
- (2) For subsection (4) of that section there shall be substituted the following subsections—
- “(4) A disposal is a relevant disposal for the purposes of this section if it is—
- (a) a conveyance of the freehold or an assignment of the lease; or
 - (b) the grant of a lease or sub-lease for a term of more than twenty-one years otherwise than at a rack rent,
- whether the disposal is of the whole or part of the house; and for the purposes of paragraph (b) above it shall be assumed that any option to renew or extend a lease or sub-lease, whether or not forming part of a series of options, is exercised, and that any option to terminate a lease or sub-lease is not exercised.
- (4A) A relevant disposal is exempted by this subsection if—
- (a) it a disposal of the whole of the house and a conveyance of the freehold or an assignment of the lease and the person or each of the persons to whom it is made is a qualifying person;
 - (b) it is a vesting of the whole of the house in a person taking under a will or on an intestacy;
 - (c) it is a disposal of the whole of the house in pursuance of an order under section 24 of the Matrimonial Causes Act 1973 or section 2 of the Inheritance (Provision for Family and Dependents) Act 1975;
 - (d) the property disposed of is acquired compulsorily or by a person who has made or would have made, or for whom another person has made or would have made a compulsory purchase order authorising its compulsory purchase for the purposes for which it is acquired; or
 - (e) the property disposed of is land falling within paragraph (a) of the definition of "house" in section 189(1) of this Act.

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- (4B) For the purposes of subsection (4A)(a) above a person is a qualifying person in relation to a disposal if he—
- (a) is the person or one of the persons by whom it is made;
 - (b) is the spouse or a former spouse of that person or one of those persons; or
 - (c) is a member of the family of that person or one of those persons (within the meaning of Chapter II of Part I of the Housing Act 1980) and has resided with him throughout the period of twelve months ending with the disposal.
- (4C) Where there is a relevant disposal which is exempted by subsection (4A)(d) or (e) above—
- (a) the covenant required by subsection (2) above shall not be binding on the person to whom the disposal is made or any successor in title of his; and
 - (b) that covenant and the charge taking effect by virtue of subsection (5) below shall cease to apply in relation to the property disposed of.”
- (3) In subsection (5) of that section for the words “specified in” there shall be substituted the words “falling within”.
- (4) After that subsection there shall be inserted the following subsection—
- “(5A) The local authority may at any time by written notice served on a body falling within subsection (6) below postpone the charge taking effect by virtue of subsection (5) above to any legal charge securing any amount advanced or further advanced to the purchaser by that body.”
- (5) For subsection (6) of that section there shall be substituted the following subsection—
- “(6) The bodies referred to in subsections (5)(b) and (5A) above are—
- (a) any building society;
 - (b) any body falling within paragraphs 6 to 9 of the Schedule to the Home Purchase Assistance and Housing Corporation Guarantee Act 1978; and
 - (c) any body specified or of a class or description specified in an order made under section 8(5) of the Housing Act 1980.”
- (6) In subsection (9) of that section, for the words “disposal falling within subsection (4) above” there shall be substituted the words “relevant disposal which is not exempted by subsection (4A) above”.
- (7) Where any conveyance, grant or assignment executed under section 104 of the 1957 Act or section 122 of the 1980 Act before the commencement date contains the covenant required by section 104B(2) of the 1957 Act, then, as from that date, that covenant shall have effect with such modifications as may be necessary to bring it into conformity with the amendments made by this paragraph.

Section 104C

- 2 (1) In subsection (1) of section 104C of the 1957 Act (houses in National Parks and areas of outstanding natural beauty etc.) for the words “by order of the Secretary

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- of State” there shall be substituted the words “under section 19 of the Housing Act 1980” and for the words “and his successors in title” there shall be substituted the words “(including any successor in title of his and any person deriving title under him or any such successor)”.
- (2) In subsection (2) of that section for the words “or his successors in title” there shall be substituted the words “or a successor in title of his” and for the words “disposal falling within subsection (4) below” there shall be substituted the words “relevant disposal which is not exempted by section 104B(4A) of this Act”.
- (3) Subsection (4) of that section shall be omitted.
- (4) For subsection (7) of that section there shall be substituted the following subsections—
- “(7) where there is a relevant disposal which is exempted by section 104B(4A) (d) or (e) of this Act, the covenant mentioned in subsection (1) above shall cease to apply to the property disposed of.
- (7A) In this section 'relevant disposal' has the same meaning as in section 104B of this Act.”
- (5) In subsection (9) of that section for the words from “means” onwards there shall be substituted the words “has the same meaning as in section 19 of the Housing Act 1980”.
- (6) In subsection (10) of that section for the words “disposal falling within subsection (4) above” there shall be substituted the words “relevant disposal which is not exempted by section 104B(4A) of this Act”.
- (7) Where any conveyance, grant or assignment executed under section 104 of the 1957 Act or section 122 of the 1980 Act before the commencement date contains such a covenant as is mentioned in section 104C(1) of the 1957 Act, then, as from that date, that covenant—
- (a) shall be binding not only on the purchaser and any successor in title of his but also on any person deriving title under him or any such successor; and
- (b) shall have effect with such modifications as may be necessary to bring it into conformity with the amendments made by this paragraph.

SCHEDULE 7

Section 26.

SCHEDULE INSERTED AFTER SCHEDULE 4 TO 1980 ACT

“SCHEDULE 4A

GROUND FOR WITHHOLDING CONSENT TO ASSIGNMENT BY WAY OF EXCHANGE

Ground 1

The tenant or the proposed assignee is obliged to give up possession of the dwelling-house of which he is the secure tenant in pursuance of an order of the court, or will be so obliged at a date specified in such an order.

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Ground 2

Proceedings have been begun for possession of the dwelling-house of which the tenant or the proposed assignee is the secure tenant on one or more of grounds 1 to 5A as set out in Part I of Schedule 4 to this Act or there has been served on the tenant or the proposed assignee a notice under section 33 of this Act which specifies one or more of those grounds and that notice is still in force.

Ground 3

The accommodation afforded by the dwelling-house is substantially more extensive than is reasonably required by the proposed assignee.

Ground 4

The extent of the accommodation afforded by the dwelling-house is not reasonably suitable to the needs of the proposed assignee and his family.

Ground 5

The dwelling-house either forms part of, or is within the curtilage of, a building to which sub-paragraph (2) of paragraph 1 of Part I of Schedule 1 to this Act applies or is situated in a cemetery and (in either case) the dwelling-house was let to the tenant or to a predecessor in title of his in consequence of the tenant or predecessor being in the employment of the landlord or of a body specified in sub-paragraph (3) of that paragraph.

Ground 6

The landlord is a charity within the meaning of the Charities Act 1960 and the proposed assignee's occupation of the dwelling-house would conflict with the objects of the charity.

Ground 7

The dwelling-house has features which are substantially different from those of ordinary dwelling-houses and which are designed to make it suitable for occupation by a physically disabled person who requires accommodation of the kind provided by the dwelling-house and, if the assignment were made, there would not longer be such a person residing in the dwelling-house.

Ground 8

The landlord is a housing association or housing trust which lets dwelling-houses only for occupation (alone or with others) by persons whose circumstances (other than merely financial circumstances) make it especially difficult for them to satisfy their need for housing and, if the assignment were made, there would no longer be such a person residing in the dwelling-house.

Ground 9

The dwelling-house is one of a group of dwelling-houses which it is the practice of the landlord to let for occupation by persons with special needs and a social service or special facility is provided in close proximity to the group of dwelling-houses in order to assist persons with those

special needs and, if the assignment were made, there would no longer be a person with those special needs residing in the dwelling-house.”

SCHEDULE 8

Section 46.

PROVISIONS CONSEQUENTIAL UPON PUBLIC BODY'S NOTICE

Duration of notice

- 1
- (1) A public body's notice shall come into force when it is accepted by the local authority, either by notice given within the prescribed period to the public body by which it was given or by virtue of section 46(3) of this Act and, subject to paragraph 3(3) below, shall continue in force until the occurrence of, or the expiry of a prescribed period of time beginning on the date of, such event as may be prescribed.
 - (2) Building regulations may empower a local authority to extend (whether before or after its expiry) any such period of time as is referred to in sub-paragraph (1) above.

Public body's plans certificates

- 2
- (1) Where a public body—
 - (a) is satisfied that plans of the work specified in a public body's notice given by it have been inspected by a servant or agent of the body who is competent to assess the plans, and
 - (b) in the light of that inspection is satisfied that the plans neither are defective nor show that work carried out in accordance with them would contravene any provision of building regulations, and
 - (c) has complied with any prescribed requirements as to consultation or otherwise,the body may give to the local authority a certificate in the prescribed form (in the enactments relating to building regulations referred to as a “public body's plans certificate”).
 - (2) Building regulations may authorise the giving of a public body's notice combined with a certificate under sub-paragraph (1) above and may prescribe a single form for such a combined notice and certificate; and where such a prescribed form is used,—
 - (a) any reference in this Schedule or in any other provision of Part II of this Act to a public body's notice or to a public body's plans certificate shall be construed as including a reference to that form; but
 - (b) should the form cease to be in force as a public body's notice by virtue of paragraph 1(1) above, nothing in that paragraph shall affect the continuing validity of the form as a public body's plans certificate.
 - (3) A public body's plan certificate—
 - (a) may relate either to the whole or to part only on the work specified in the public body's notice concerned; and
 - (b) shall not have effect unless it is accepted by the local authority to whom it is given.
 - (4) A local authority to whom a public body's plans certificate is given—
 - (a) may not reject the certificate except on prescribed grounds; and

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- (b) shall reject the certificate if any of the prescribed grounds exists.
- (5) Unless, within the prescribed period, the local authority to whom a public body’s plans certificate is given give notice of rejection, specifying the ground or grounds in question, to the public body by which the certificate was given, the authority shall be conclusively presumed to have accepted the certificate.
- (6) If it appears to a local authority by whom a public body’s plans certificate has been accepted that the work to which the certificate relates has not been commenced within the period of three years beginning on the date on which the certificate was accepted, the authority may rescind their acceptance of the certificate by notice, specifying the ground or grounds in question, given to the public body.

Public body’s final certificates

- 3 (1) Where a public body is satisfied that any work specified in a public body’s notice given by it has been completed, the body may give to the local authority such certificate with respect to the completion of the work and compliance with building regulations as may be prescribed (in the enactments relating to building regulations referred to as a “public body’s final certificate”).
- (2) Sub-paragraphs (3) to (5) of paragraph 2 above shall have effect in relation to a public body’s final certificate as if any reference in those sub-paragraphs to a public body’s plans certificate were a reference to a public body’s final certificate.
- (3) Where a public body’s final certificate has been given with respect to any of the work specified in a public body’s notice and that certificate has been accepted by the local authority concerned, the public body’s notice shall cease to apply to that work, but the provisions of section 40(1) of this Act, as applied by section 46(4), shall, by virtue of this sub-paragraph, continue to apply in relation to that work as if the public body’s notice continued in force in relation to it.

Effects of public body’s notice ceasing to be in force

- 4 (1) The provisions of this paragraph apply where a public body’s notice ceases to be in force by virtue of paragraph 1(1) above.
- (2) Building regulations may provide that, if—
 - (a) a public body’s plans certificate was given before the day on which the public body’s notice ceased to be in force, and
 - (b) that certificate was accepted by the local authority (before, on or after that day), and
 - (c) before that day, that acceptance was not rescinded by a notice under paragraph 2(6) above,
 then, with respect to the work specified in the certificate, such of the functions of a local authority referred to in section 40(1) of this Act as may be prescribed for the purposes of this sub-paragraph either shall not be exercisable or shall be exercisable only on prescribed circumstances.
- (3) If, before the day on which the public body’s notice ceased to be in force, a public body’s final certificate was given in respect of part of the work specified in the notice and that certificate was accepted by the local authority (before, on or after that day), the fact that the public body’s notice has ceased to be in force shall not affect the continuing operation of paragraph 3(3) above in relation to that part of the work.

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- (4) Notwithstanding anything in sub-paragraphs (2) and (3) above, for the purpose of enabling the local authority to perform the functions referred to in section 40(1) of this Act in relation to any part of the work not specified in a public body's plans certificate or final certificate, as the case may be, building regulations may require the local authority to be provided with plans which relate not only to that part but also to the part to which the certificate in question relates.
- (5) In any case where this paragraph applies, the reference in sub-section (4) of section 65 of the 1936 Act (twelve month time limit for giving certain notices) to the date of the completion of the work in question shall have effect, in relation to a notice under subsection (1) of that section, as if it were a reference to the date on which the public body's notice ceased to be in force.
- (6) Subject to any provision of building regulations made by virtue of sub-paragraph (2) above, if, before the public body's notice ceased to be in force, an offence under section 4(6) of the 1961 Act (contravention of provisions of building regulations) was committed with respect to any of the work specified in that notice, summary proceedings for that offence may be commenced by the local authority at any time within six months beginning with the day on which the functions of the local authority referred to in section 40(1) of this Act became exercisable with respect to the provisions of building regulations to which the offence relates.
- (7) Any reference in the preceding provisions of this paragraph to section 40(1) of this Act is a reference to that section as applied by section 46(4) thereof.

Consultation

- 5 Building regulations may make provision for requiring, in such circumstances as may be prescribed, a public body which has given a public body's notice to consult any prescribed person before taking any prescribed step in connection with any work specified in the notice.

SCHEDULE 9

Section 57(1).

SECTIONS INSERTED AFTER SECTION 65 OF THE 1936 ACT

“65A Obtaining of report where section 65 notice given.

- (1) In any case where—
 - (a) a person to whom a section 65 notice has been given gives to the local authority by whom the notice was given notice in writing of his intention to obtain from a suitably qualified person a written report concerning work to which the section 65 notice relates, and
 - (b) such a report is obtained and submitted to the local authority and, as a result of their consideration of it, the local authority withdraw the section 65 notice,the local authority may pay to the person to whom the section 65 notice was given such amount as appears to them to represent the expenses reasonably incurred by him in consequence of their having given him that notice including, in particular, his expenses in obtaining the report.

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- (2) Subject to subsection (3) of this section, if a person to whom a section 65 notice has been given gives notice under subsection (1)(a) of this section then, so far as regards the matters to which the section 65 notice relates, the reference to twenty-eight days in section 65(3) of this Act shall be construed as a reference to seventy days.
- (3) Notice under subsection (1)(a) of this section shall be given before the expiry of the period of twenty-eight days referred to in subsection (3) of section 65 of this Act or, as the case may be, within such longer period as a court allows under that subsection; and where such a longer period has been so allowed before notice is given under subsection (1)(a) of this section, subsection (2) of this section shall not apply.
- (4) In this section and in section 65B of this Act a “section 65 notice” means a notice under subsection (1) or subsection (2) of section 65 of this Act.

65B Appeals against section 65 notices.

- (1) Any person aggrieved by the giving of a section 65 notice may appeal to a magistrates' court acting for the petty sessions area in which is situated land on which has been carried out any work to which the notice relates.
- (2) Subject to subsection (3) below, on an appeal under this section the court shall,—
 - (a) if they determine that the local authority were entitled to give the notice, confirm the notice; and
 - (b) in any other case, give the local authority a direction to withdraw the notice.
- (3) If, in a case where the appeal is against a notice under subsection (2) of section 65 of this Act, the court is satisfied that—
 - (a) the local authority were entitled to give the notice, but
 - (b) in all the circumstances of the case the purpose for which was enacted the section of this Act by virtue of which the notice was given has been substantially achieved.

the court may give a direction under subsection (2)(b) of this section.
- (4) An appeal under this section shall be brought—
 - (a) within twenty-eight days of the giving of the section 65 notice; or
 - (b) in case where the person to whom the section 65 notice was given gives notice under subsection (1)(a) of section 65A of this Act, within seventy days of the giving of the section 65 notice.
- (5) The procedure on appeal to a magistrates' court under this section shall be by way of complaint for an order and the Magistrates' Courts Act 1980 shall apply to the proceedings.
- (6) Where an appeal is brought under this section—
 - (a) the section 65 notice shall be of no effect pending the final determination or withdrawal of the appeal; and
 - (b) subsection (3) of section 65 of this Act shall have effect in relation to that notice as if after the words “twenty-eight days” there were inserted the words “(beginning, in a case where an appeal is brought under section 65B of this Act, on the date when the appeal is finally determined or, as the case may be, withdrawn)”.

- (7) If, on an appeal under this section, there is produced to the court a report which has been submitted to the local authority under subsection (1) of section 65A of this Act, the court, in making any order as to costs, may treat the expenses incurred in obtaining the report as expenses incurred for the purposes of the appeal.”

SCHEDULE 10

Section 59(3).

SECTION 64(4) OF THE 1936 ACT AND SECTION 6 OF THE 1961 ACT, AS AMENDED

Public Health Act 1936

- “64 (4) For the purposes of this Part of this Act, the expression “the prescribed period”, in relation to the passing or rejection of plans, means five weeks or such extended period (expiring not later than two months from the deposit of the plans) as may before the expiration of the five weeks be agreed in writing between the person depositing the plans and the local authority.”

Public Health Act 1961

- “6 (1) Subject to the provisions of this section, if the Minister, on an application made in accordance with the provisions of this Act, considers that the operation of any requirement in building regulations would be unreasonable in relation to the particular case to which the application relates, he may, after consultation with the local authority, give a direction dispensing with or relaxing that requirement.
- (2) If building regulations so provide as regards any requirement contained in the regulations, the power to dispense with or relax that requirement under subsection (1) of this section shall be exercisable by the local authority (instead of by the Minister after consultation with the local authority):

Provided that any building regulations made by virtue of this subsection may except applications of any description.

(2A) If—

- (a) building regulations so provide as regards any requirement contained in the regulations, and
- (b) a public body considers that the operation of any such requirement would be unreasonable in relation to any particular work carried out or proposed to be carried out by or on behalf of the public body,

the public body may give a direction dispensing with or relaxing that requirement.

(2B) In subsection (2A) above “public body” means—

- (a) a local authority;
- (b) a county council;
- (c) any other body which is prescribed for the purposes of section 52 of the Housing and Building Control Act 1984.

- (3) Building regulations may provide as regards any requirement contained in the regulations that the foregoing subsections of this section shall not apply.

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- (4) An application under this section shall be in such form and shall contain such particulars as may be prescribed.
- (5) The application shall be made to the local authority and, except where the power of giving the direction is exercisable by the local authority, the local authority shall at once transmit the application to the Minister and give notice to the applicant that it has been so transmitted.
- (6) An application by a local authority in connection with a building or proposed building in the area of that authority shall be made to the Secretary of State except where the power of giving the direction is exercisable by that authority.
- (7) The provisions of Part I of the First Schedule to this Act shall have effect as regards any application made under this section for a direction which will affect the application of building regulations to work which has been carried out before the making of the application.”

SCHEDULE 11

Section 64.

MINOR AND CONSEQUENTIAL AMENDMENTS

Interpretation

- 1 In this Schedule expressions used in Part I of this Act have the same meanings as in that Part.

The Leasehold Reform Act 1967

- 2 (1) Part I of the Leasehold Reform Act 1967 (enfranchisement and extension of long leaseholds) shall not apply where, in the case of a tenancy or sub-tenancy to which this sub-paragraph applies, the landlord is a housing association and the freehold is owned by a body of persons or trust established for charitable purposes only.
- (2) Where a tenancy of a dwelling-house which is a house is created by the grant of a lease in pursuance of Chapter I of Part I of the 1980 Act, the tenancy shall be treated for the purposes of Part I of the said Act of 1967 as being a long tenancy notwithstanding that the lease is granted for a term not exceeding 21 years.
- (3) Where a tenancy of a dwelling-house which is a house is created by the grant of a lease in pursuance of Part I of this Act, the tenancy shall be treated for the purposes of Part I of the said Act of 1967—
- (a) as being a long tenancy notwithstanding that the lease is granted for a term not exceeding 21 years; and
 - (b) as being a tenancy at a low rent notwithstanding that rent is payable under the tenancy at a yearly rate equal to or more than two-thirds of the rateable value of the dwelling-house on the first day of the term.
- (4) Notwithstanding anything in sub-paragraph (3) above, where a tenancy of a dwelling-house which is a house is created by the grant of a lease in pursuance of Part I of this Act, then, so long as the rent payable under the lease exceeds £10 per annum, neither the tenant nor the tenant under a sub-tenancy directly or indirectly derived out of the

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tenancy shall be entitled to acquire the freehold or an extended lease of the dwelling-house under Part I of the said Act of 1967.

- (5) Where, in the case of a tenancy or sub-tenancy to which this sub-paragraph applies, the tenant exercises his right to acquire the freehold under Part I of the said Act of 1967, the price payable for the dwelling-house shall be determined in accordance with section 9(1A) of that Act notwithstanding that the rateable value of the dwelling-house does not exceed £1,000 in Greater London or £500 elsewhere.
- (6) Sub-paragraphs (1) and (5) above apply to—
- (a) a tenancy of a dwelling-house which is a house which is created by the grant of a lease in pursuance of Chapter I of Part I of the 1980 Act or Part I of this Act and any subtenancy directly or indirectly derived out of such a tenancy; and
 - (b) where in any case Part I of the said Act of 1967 applies as if there had been a single tenancy granted for a term beginning at the same time as the term under a tenancy falling within paragraph (a) above and expiring at the same time as the term under a later tenancy, that later tenancy and any sub-tenancy directly or indirectly derived out of that later tenancy;

and sub-paragraph (5) above also applies to a tenancy which is granted in substitution for a tenancy or sub-tenancy falling within paragraph (a) or (b) above in pursuance of Part I of the said Act of 1967.

- 3 In section 3(1) of the said Act of 1967 (meaning of “long tenancy”) in paragraph (b) of the proviso after the word “assignment” there shall be inserted the words “otherwise than by virtue of section 37A of the Housing Act 1980 (assignments by way of exchange)”.

The Health and Safety at Work etc. Act 1974

- 4 Subsection (3) of section 69 of the Health and Safety at Work etc. Act 1974 (appeals against certain decisions of the Secretary of State) shall be amended as follows—
- (a) for paragraph (b) there shall be substituted the following paragraph—
 - “(b) on a reference under section 64 of the 1936 Act or section 42 of the Housing and Building Control Act 1984;”;
 - (b) after the words “local authority”, in the second place where they occur, there shall be inserted the words “or, as the case may be, the person approved for the purposes of Part II of the said Act of 1984”; and
 - (c) in the definition of “the relevant person” for paragraph (ii) there shall be substituted the following paragraph—
 - “(ii) as regards a reference under the said section 64 or the said section 42, means the person on whose application the reference was made;”.

The Airports Authority Act 1975

- 5 In section 19(2) of the Airports Authority Act 1975 (application of enactments relating to statutory undertakers) for the words “shall apply in relation to the Authority as it applies” there shall be substituted the words “and section 71 of that Act (which exempts such buildings from building regulations) shall apply in relation to the Authority as they apply” and for the words “(which excludes)” there shall be substituted the words “and the proviso to the said section 71 (which exclude”.

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The Housing Act 1980

- 6 Subsections (4) and (4A) of section 3 of the Housing Act 1980 (meaning of “house”, “flat”, “dwelling-house” etc.) shall have effect as if any reference to the right to buy included a reference to the right to be granted a shared ownership lease.
- 7 Section 4(3) of that Act (joint tenants and members of family occupying dwelling-house otherwise than as joint tenants) shall have effect as if the reference to Chapter I of Part I of that Act included a reference to Part I of this Act.
- 8 (1) After subsection (1) of section 5 of that Act (notice claiming to exercise the right to buy) there shall be inserted the following subsection—
- “(1A) A landlord’s notice under subsection (1) above shall inform the tenant of any application for a determination under paragraph 5 of Part I of Schedule 1 to this Act and, in the case of a notice admitting the tenant’s right, shall be without prejudice to any determination made on such an application.”
- (2) In subsection (2) of that section for the words “three years” there shall be substituted the words “two years”.
- (3) The amendment made by sub-paragraph (1) above shall not apply where the tenant’s claim to exercise the right to buy was made before the coming into force of Part I of this Act; and the amendment made by sub-paragraph (2) above shall not apply where the landlord’s notice under section 5(1) of that Act was served before the coming into force of Part I of this Act.
- 9 At the end of section 6 of that Act (purchase price) there shall be added the following subsection—
- “(6) Where the secure tenant’s tenancy has at any time been assigned by virtue of section 37A of this Act, the persons specified in subsection (5) above shall not include any person who under that tenancy was a secure tenant before the assignment.”
- 10 (1) In subsection (1) of section 10 of that Act (notice of purchase price etc.) for the words “as soon as practicable” there shall be substituted the words “within eight weeks or, where the right is that mentioned in section 1(1)(b) above, twelve weeks”.
- (2) In subsection (2) of that section for the words “section 7(5)” there shall be substituted the words “section 7(1)” and for the words “section 7(2) or (4)” there shall be substituted the words “section 7(1A), (2) or (4).”.
- (3) After subsection (2) of that section there shall be inserted the following subsection—
- “(2A) Where the notice states provisions which would enable the landlord to recover from the tenant service charges within the meaning of Schedule 19 to this Act or section 18(1) of the 1984 Act, the notice shall also state—
- (a) the landlord’s estimate of the average annual amount (at current prices) which would be payable in respect of each head of charge; and
- (b) the aggregate of the estimated amounts stated under paragraph (a) above;
- but there shall be disregarded for the purposes of any such statement any estimated amount stated under paragraph 17 of Schedule 2 to this Act.”

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- (4) In subsection (3) of that section after the word “mortgage”, in the first place where it occurs, there shall be inserted the words “and the effect of Part I of the 1984 Act so far as relating to the right to be granted a shared ownership lease”, for the words “section 16(4)” there shall be substituted the words “section 16(2) to (4), (6) and (6B)” and for the word “exercising” there shall be substituted the words “claiming to exercise”.
- (5) The amendments made by this paragraph shall not apply where the notice under section 10(1) of that Act was served before the coming into force of Part I of this Act.
- 11 In section 11(6) of that Act (right of tenant to have value determined by district valuer) for the word “exercising” there shall be substituted the words “claiming to exercise”.
- 12 In section 12 of that Act (claim to a mortgage) after subsection (5) there shall be inserted the following subsection—
- “(5A) Where the amount which, in the opinion of the landlord or Housing Corporation, the tenant is entitled to leave outstanding, or have advanced to him, on the security of the dwelling-house is less than the aggregate mentioned in section 9(1) above, the notice shall also inform the tenant of the effect of Part I of the 1984 Act so far as relating to the right to be granted a shared ownership lease and shall be accompanied by a form for use by the tenant in claiming, in accordance with section 13(1) of that Act, that right.”
- 13 (1) In subsection (1) of section 13 of that Act (change of secure tenant after notice claiming right to buy) for the words from “becomes the secure tenant” to the end of paragraph (b) there shall be substituted the following paragraphs—
- “(a) becomes the secure tenant under the same secure tenancy otherwise than on an assignment made by virtue of section 37A of this Act; or
- (b) becomes the secure tenant under a periodic tenancy arising by virtue of section 29 of this Act on the coming to an end of the secure tenancy;”.
- (2) In subsection (2) of that section for the word “exercising” there shall be substituted the words “claiming to exercise”.
- 14 (1) Section 18 of that Act (right to a mortgage—terms of mortgage deed) shall have effect as if any reference to the deed by which a mortgage is effected in pursuance of Chapter I of Part I of that Act included a reference to the deed by which a further mortgage is effected in pursuance of section 16 of this Act.
- (2) Where that section applies in relation to such a deed by virtue of sub-paragraph (1) above, it shall also have effect as if any reference to the term of a lease were a reference to the unexpired term of that lease.
- 15 (1) Section 19 of that Act (dwelling-houses in National Parks and areas of outstanding natural beauty etc.) shall have effect as if any reference to Chapter I of Part I of that Act included a reference to Part I of this Act.
- (2) Where that section applies in relation to the grant of a shared ownership lease by virtue of sub-paragraph (1) above, it shall also have effect as if—
- (a) in subsections (2), (4) and (12) for the words “section 8(3A) of this Act” there were substituted the words “paragraph 6(5) of Schedule 3 to the 1984 Act”; and
- (b) in subsection (6) for the words “section 8(1) of this Act” there were substituted the words “paragraph 6(1) or 7(1) of Schedule 3 to the 1984 Act”;

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- (c) in subsection (7) for the words “subsection (3A) of section 8 of this Act” there were substituted the words “sub-paragraph (5) of paragraph 6 of Schedule 3 to the 1984 Act” and for the words “subsection (1) of that section” there were substituted the words “sub-paragraph (1) of that paragraph or paragraph 7(1) of that Schedule”;
 - (d) in subsection (11) for the words “section 8(3A)(d) or (e) of this Act” there were substituted the words “paragraph 6(5)(d) or (e) of Schedule 3 to the 1984 Act”; and
 - (e) in subsection (12), in the definition of “relevant disposal” for the words “section 8 of this Act” there were substituted the words “paragraph 6 of Schedule 3 to the 1984 Act.”
- 16 Section 20 of that Act (registration of title) shall have effect as if—
- (a) the reference to the conveyance of a freehold in pursuance of Chapter I of Part I of that Act included a reference to the conveyance of a freehold in pursuance of such a right as is mentioned in paragraph 3(5) or 7(5) of Schedule 3 to this Act; and
 - (b) the reference to the grant of a lease in pursuance of that Chapter included a reference to the grant of a lease in pursuance of Part I of this Act.
- 17 (1) For section 21 of that Act (costs) there shall be substituted the following section—
- “21 Costs.**
- (1) Any agreement between—
 - (a) a tenant claiming to exercise the right to buy and the landlord; or
 - (b) a tenant claiming to exercise the right to a mortgage and the landlord or, as the case may be, the Housing Corporation,
 shall be void in so far as it purports to oblige the tenant to bear any part of the costs incurred by the landlord or Housing Corporation in connection with the tenant’s exercise of that right.
 - (2) Where a tenant exercises the right to a mortgage, the landlord or, as the case may be, the Housing Corporation may charge to him the costs incurred by it in connection with the tenant’s exercise of that right, but only on the execution of the deed by which the mortgage is effected and to the extent that those costs do not exceed such amount as the Secretary of State may by order specify.”
- (2) That section as so substituted shall have effect as if—
- (a) the reference to the right to buy included a reference to the right to be granted a shared ownership lease and to such rights as are mentioned in paragraphs 3(1) and (5) and 7(5) of Schedule 3 to this Act; and
 - (b) the reference to the right to a mortgage included a reference to such a right as is mentioned in section 16(1) of this Act.
- 18 (1) After subsection (1) of section 22 of that Act (notices) there shall be inserted the following subsection—
- “(1A) Where the form of and the particulars to be contained in a notice under this Chapter are so prescribed a tenant who proposes to claim or has claimed to exercise the right to buy may request the landlord to supply him with a form for use in giving such a notice, and the landlord shall do so within seven days of the request.”

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- (2) That section shall have effect as if any reference to Chapter I of Part I of that Act included a reference to Part I of this Act.
- 19 (1) Subsection (5) of section 23 of that Act (Secretary of State’s power to intervene) shall be omitted.
- (2) In subsection (9) of that section for the words “on demand” onwards there shall be substituted the words “on a date specified in the certificate, together with interest from that date at a rate so specified”.
- (3) In subsection (11) of that section for the words “subsections (5) to (10)” there shall be substituted the words “subsections (6) to (10)”.
- (4) That section shall have effect as if any reference to Chapter I of Part I of that Act included a reference to Part I of this Act and any reference to the right to buy included a reference to the right to be granted a shared ownership lease.
- 20 (1) In subsection (2) of section 24 of that Act (vesting orders) for the words “the landlord and the tenant and their successors in title” there shall be substituted the words “both the landlord and its successors in title and the tenant and his successors in title (including any person deriving title under him or them)”.
- (2) That section shall have effect as if any reference to Chapter I of Part I of that Act included a reference to Part I of this Act.
- 21 The following provisions of that Act, namely—
section 24A (Secretary of State’s power to give directions as to covenants and conditions);
section 24B (effect of directions on existing covenants and conditions);
section 24C (Secretary of State’s power to obtain information etc.);
section 24D (Secretary of State’s power to give assistance); and
section 25 (statutory declarations),
shall have effect as if any reference to Chapter I of Part I of that Act included a reference to Part I of this Act and any reference to the right to buy included a reference to the right to be granted a shared ownership lease.
- 22 In section 27(3) of that Act (interpretation of Chapter I), for the words “Chapter II”, in the first place where they occur, there shall be substituted the words “Part I of the 1984 Act”, after the words “Chapter II”, in the second place where they occur, there shall be inserted the words “and that Part” and for paragraphs (a) and (b) there shall be substituted the following paragraphs—
“(a) a predecessor of a local authority within the definition in section 50(1) shall be deemed to have been such an authority;
(b) a predecessor of a county council shall be deemed to have been such a council; and
(c) a housing association shall be deemed to have been registered under Part II of the 1974 Act if it is or was so registered at any later time”.
- 23 In subsection (1) of section 31 of that Act (meaning of successor) for the words from “but a tenant” onwards there shall be substituted the words “but subject to subsection (1A) below” and after that subsection there shall be inserted the following subsection—
“(1A) A tenant to whom the tenancy was assigned in pursuance of an order under section 24 of the Matrimonial Causes Act 1973 is a successor only if the

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other party to the marriage was himself a successor; and a tenant to whom the tenancy was assigned by virtue of section 37A below is a successor only if he was a successor in relation to the tenancy which he himself assigned by virtue of that section.”.

24 In section 50(1) of that Act (interpretation of Chapter II of Part I) immediately before the definition of “development corporation” there shall be inserted the following definition—

““cemetery” has the same meaning as in section 214 of the Local Government Act 1972;”.

25 (1) In subsection (2) of section 86 of that Act (jurisdiction of county court and rules of procedure) there shall be inserted after paragraph (a) the following paragraph—

“(aa) whether any consent required by section 37A was withheld otherwise than on one or more of the grounds set out in Schedule 4A to this Act;”.

(2) That section shall have effect as if any reference to any question arising under Part I of that Act or Chapter I of Part I of that Act included a reference to any question arising under Part I of this Act or any lease granted in pursuance of it.

26 In section 110(1) of that Act (local authority mortgage interest rates) at the end of paragraph (c) there shall be inserted the words “or section 20 of the 1984 Act”.

27 In subsection (1) of section 127 of that Act (registration of housing associations) for the words from the beginning to “its objects” there shall be substituted the words “Section 13 of the 1974 Act (the register of housing associations) shall have effect as if the additional purposes or objects mentioned in subsection (3) of that section included” and the words from “without” onwards shall be omitted.

28 In section 137(1) of that Act (avoidance of certain unauthorised disposals) after the words “section 128(2) of the Local Government Act 1972” there shall be inserted the words, “section 29 of the Town and Country Planning Act 1959”.

29 At the end of section 150 of that Act (interpretation) there shall be inserted the following definition—

““the 1984 Act” means the Housing and Building Control Act 1984”.

30 In section 151(1) of that Act (regulations and orders) after the word “section”, in the second place where it occurs, there shall be inserted the word “8(5)”.

31 Part II of Schedule 1A to that Act (qualification and discount) shall have effect as if “previous discount” included a discount which was given, before the relevant time, in pursuance of the provision required by paragraph 3 of Schedule 3 to this Act or any other provision to the like effect.

32 Part IV of Schedule 2 to that Act (charges and other matters) shall have effect as if any reference to the right to buy included a reference to the right to be granted a shared ownership lease and to such rights as are mentioned in paragraphs 3(5) and 7(5) of Schedule 3 to this Act.

33 (1) Paragraph 1 of Schedule 3 to that Act (tenancies which are not secure tenancies) shall have effect as if the reference to a tenancy granted in pursuance of Chapter I of Part I of that Act included a reference to a tenancy granted in pursuance of Part I of this Act.

(2) In paragraph 2(1)

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of that Schedule for paragraphs (a) to (e) there shall be substituted the words “a body specified in paragraph 1(3) of Schedule 1 to this Act”.

- (3) In paragraph 8 of that Schedule for the words “or his predecessor in title”, in the first place where they occur, there shall be substituted the words “(or a predecessor in title of his)” and for the words “(or his predecessor in title)”, in the second place where they occur, there shall be substituted the words “or predecessor”.

- 34 In Part I of Schedule 4 to that Act, in ground 6, for the words “or his predecessor in title”, in the first place where they occur, there shall be substituted the words “(or a predecessor in title of his)” and for the words “he (or his predecessor in title)”, in both places where they occur, there shall be substituted the words “the tenant or predecessor”.

The Civil Aviation Act 1982

- 35 In paragraph 1(1) of Schedule 2 to the Civil Aviation Act 1982 (application of enactments relating to statutory undertakers etc.) for the words “shall apply in relation to the CAA as it applies” there shall be substituted the words “and section 71 of that Act (which exempts such buildings from building regulations) shall apply in relation to the CAA as they apply” and for the words “(which excludes)” there shall be substituted the words “and the proviso to the said section 71 (which exclude”.

SCHEDULE 12

Sections 61 and 65.

REPEALS

PART I

REPEALS RELATING TO BUILDING CONTROL

Chapter	Short title	Extent of repeal
1966 c. 27.	The Building Control Act 1966.	The whole Act.
1966 c. 34.	The Industrial Development Act 1966.	In Schedule 3, Part I.
1968 c. 73.	The Transport Act 1968.	In Schedule 16, paragraph 9.
1969 c. 35.	The Transport (London) Act 1969.	In Schedule 3, paragraph 9(2) (a).
1969 c. 48.	The Post Office Act 1969.	In Schedule 4, paragraph 80.
1971 c. 78.	The Town and Country Planning Act 1971.	In Schedule 23, in Part II, the entry relating to the Building Control Act 1966.

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Chapter	Short title	Extent of repeal
1972 c. 5.	The Local Employment Act 1972.	In Schedule 3, the entry relating to the Building Control Act 1966.
1972 c. 52.	The Town and Country Planning (Scotland) Act 1972.	In Schedule 21, in Part II, the entry relating to the Building Control Act 1966.
1975 c. 64.	The Iron and Steel Act 1975.	In Schedule 6, paragraph 7.
1977 c. 49.	The National Health Service Act 1977.	In Schedule 14, in paragraph 13(1)(b), the words “107 to”.
1978 c. 44.	The Employment Protection (Consolidation) Act 1978.	In Schedule 15, paragraph 38.
1981 c. 38.	The British Telecommunications Act 1981.	In Schedule 16, paragraph 32.
		In Schedule 3, paragraph 45.

PART II

FURTHER REPEALS

Chapter	Short title	Extent of repeal
26 Geo. 5 & 1 Edw. 8. c. 49.	The Public Health Act 1936.	Section 67.
5 & 6 Eliz. 2. c. 56.	The Housing Act 1957.	Section 104C(4).
1974 c. 37.	The Health and Safety at Work etc. Act 1974.	Section 61(5).
		Section 62(3).
		Section 63(6) and (7).
		In section 69, in subsection (1) the words “section 64 of the 1936 Act”.
		In Schedule 6, in Part I, paragraphs 1, 2, subparagraphs (a), (d) and (e) of paragraph 5, and paragraphs 6 and 7, and Part II except in so far as it sets out section 4 of the Public Health Act 1961.
		In Schedule 10, in the third column of the entry relating

1. The repeal of section 2(5) of the Housing Act 1980 has effect subject to section 2(4) of this Act.
2. The repeals of sections 7(5) to (11) and 15 of that Act have effect subject to section 3(6) of this Act.

Status: This is the original version (as it was originally enacted).

Chapter	Short title	Extent of repeal to the Public Health Act 1936, the words “Section 71”, the entry relating to the Education Act 1944 and, in the third column of the entry relating to the Public Health Act 1961, the words “Section 7(3) to (6)”, “Section 10(1) and (2)” and “and 71”.
1975 c. 78.	The Airports Authority Act 1975.	Section 25(10).
1980 c. 51.	The Housing Act 1980.	<p>In section 2, in subsection (4) the words “Subject to subsection (5) below” and subsection (5).</p> <p>In section 7, subsections (5) to (11).</p> <p>Section 15.</p> <p>In section 18(1), the words from “but the Secretary of State” onwards.</p> <p>Section 19(8).</p> <p>Section 23(5).</p> <p>In section 24, in subsection (3) and (5) the word “land”.</p> <p>In section 28(2), paragraph (d) and the word “or” immediately preceding that paragraph.</p> <p>In section 127(1), the words from “without” onwards.</p> <p>In Schedule 2, in the provision renumbered as paragraph 15(1), paragraph (b) and the words “and paragraph 16 below”.</p> <p>In Schedule 3, paragraph 3.</p> <p>In section 156, subsection (1) and in subsection (2)(b), the words from “and” onwards.</p>

1. The repeal of section 2(5) of the Housing Act 1980 has effect subject to section 2(4) of this Act.
2. The repeals of sections 7(5) to (11) and 15 of that Act have effect subject to section 3(6) of this Act.